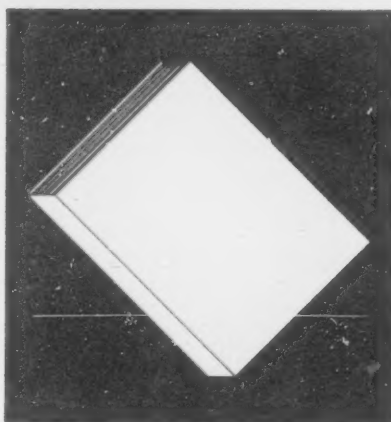
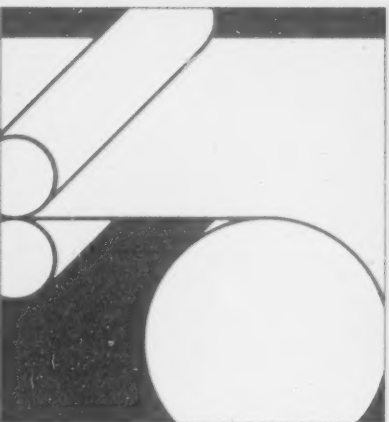
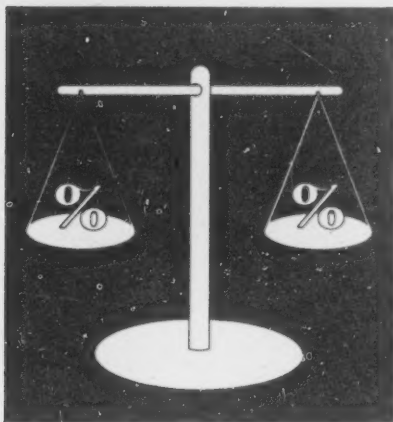
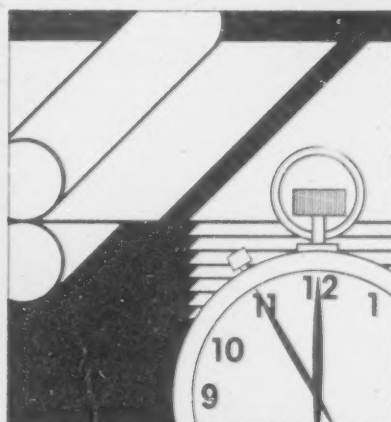
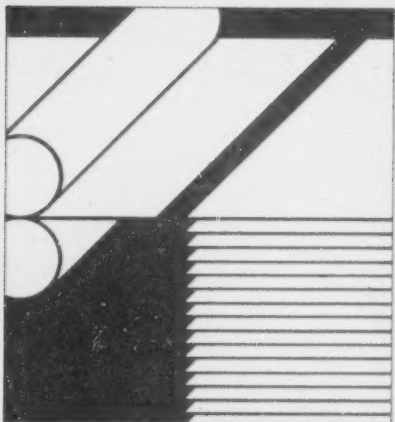
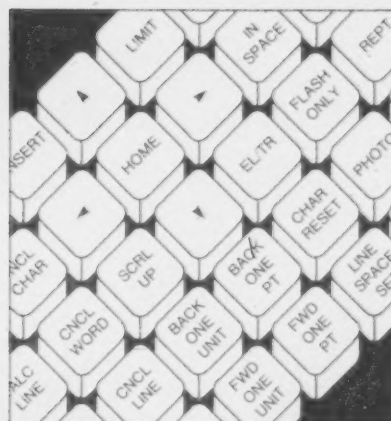
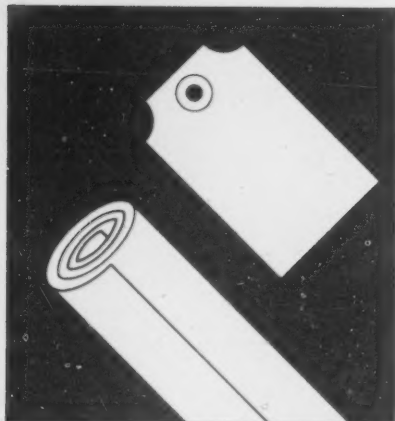


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Printing
Industries of
America, Inc.

1984 Financial Ratios



Volume VIII
Combination Offset—Sheetfed/Web

ABOUT PIA ...

Printing Industries of America, Inc., is a federation of national, regional, state, and city associations composed of over 12,000 graphic arts firms. PIA and its affiliated associations comprise the largest trade association in the world dedicated to serving the interests of the graphic arts community. Membership in one of PIA's Affiliated Associations automatically entitles an organization PIA membership.

PIA's Financial Services offers the following products and services:

- PrintFinance: PIA in conjunction with Merrill Lynch brings you an innovative, comprehensive financial package called PrintFinance, available only from PIA Financial Services. PrintFinance is a unique competitively priced financial service package developed especially for the printing industry and allied graphic arts firms.
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- Money Manager - A Monthly Financial newsletter with an exclusive print activity forecast: PrintOutlook
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For further information, contact:

William A. Rose, II
Director, PIA Financial Services
1730 North Lynn Street
Arlington, Virginia 22209
703/841-4805

PIA's Education and Publication Group is active in financial management, offering numerous publications on the subject:

- Best & Worst Markets for Printers in the 1980s (a unique marketing and financial planning aid, available by subscription directly from PIA)
- Cost Accounting for the Job Order Printer
- Graphic Arts Estimating, Volume I
- Money Making Guide to Printing Estimating, revised edition
- Running in the Black: Six Steps to Managing Printing Profitability
- Sales Compensation in the Printing Industry - 1983
- Simplified Cost System
- Tax Planning for Your Graphic Arts Business
- Understanding Value Added
- Value Added Financial Management: A Guide for Printers
- 1981-82 Production Management Compensation Survey
- 1983 Survey of Sales Management: Practices and Compensation
- 1984 Executive Compensation Report

These books are available through PIA Affiliated Associations' Graphic Arts Bookstores. For further information, contact:

Printing Industries of America, Inc.
Margaret A. Hogue, Director of Editorial Services
1730 North Lynn Street
Arlington, Virginia 22209
(703) 841-8144

61ST annual ratio study compiled from the operating statements and balance sheets submitted by representative members of the printing industry, and computed by RGS Enterprises, Inc., 1 Carlisle Drive, Arnold, Maryland 21012.

1984 FINANCIAL RATIOS

COMBINATION OFFSET-SHEETFED/WEB PRINTERS

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PRINTING INDUSTRIES OF AMERICA, INC.

Management Services Department
1730 North Lynn Street
Arlington, Virginia 22209

Edited and Prepared by H. R. Margolis Company,
Certified Public Accountants
New York and Philadelphia (Bala Cynwyd)

Printed in U.S.A.



PRINTING INDUSTRIES OF AMERICA, INC.

1730 North Lynn Street, Arlington, VA 22209 (703) 841-4805

Dear Colleague:

1984 is the 61st year in which Printing Industries of America, Inc. has collected and published detailed financial ratio information for members of the graphic arts community. The data presented each year provide a detailed and comprehensive picture of the financial status of the major segments of the U.S. and Canadian graphic arts industries. In addition, it allows individual firms to compare their annual performance with that of many other similar firms, including those which earn well above-average profits. Ratio results are published annually. They are summarized as follows:

- Management Guide to the PIA Ratios
- All Printers by Sales Volume
- All Printers by Product Specialty
- All Printers by Geographic Area
- Sheetfed Printers by Size and Geographic Area
- Web Offset Printers — Heatset
- Web Offset Printers — Non-Heatset
- Combination Offset — Sheetfed/Web
- Book Manufacturers' Ratios
- Large Printers' Ratios
- Typographers' Ratios
- Preparatory Specialists' Ratios
- Binders' Ratios
- Quick Printers

For a more complete composite picture of your company's performance relative to the U.S. and Canadian printing industry, several books could be used in your analysis, such as one of the overview volumes, e.g., *All Printers by Sales Volume*, and one that addresses your particular business segment or production process, e.g., *Book Manufacturers or Web Offset — Heatset*, respectively. Alternatively, such analysis is facilitated by participating in the Ratio Study each year and ordering an individual company computer printout which compares a participant's ratios to those of companies which are similar in size and sales volume, produce the same products, and use the same manufacturing process.

Please refer your questions on the PIA Ratio Study to your nearest local PIA affiliated association or to me at the address above.

William A. Rose, II
Director, PIA Financial Services

Dear Member of the Graphic Arts Community:

In the accompanying pages are the 1984 PIA FINANCIAL RATIOS FOR COMBINATION OFFSET-SHEETFED/WEB PRINTERS. This Ratio Study was developed on the basis of questionnaires volunteered by 100 firms and presents the ratios and statistics of Combination Offset-Sheetfed/Web Printers by sales volume, by product, and by percentage of web sales. Because many participants produce substantially even percentages of sheetfed and web sales, they have difficulty classifying themselves strictly as a sheetfed or web printer. This volume gives recognition to that problem.

Thus the user of the report can direct himself to the standards for his sales size — for example, sales to \$1.5 million, sales from \$1.5 to \$5 million, etc.; product specialty — for example, Commercial and Advertising, Magazine and Periodical etc.; and percentage of web sales — for example 11% to 21%, 21% to 41%, etc. Readers can compare the data from their own firm's financial statements with similar data from other firms in five areas: Operations based on Value Added and its Supporting Schedules, Operations based on Sales and its Supporting Schedules, Balance Sheet Ratios, Significant Facts, and Return on Investment.

We strongly believe in the importance of sharing this type of information among members of the graphic arts community and are proud to have played a role in compiling these studies.

H.R. Margolis Company
Certified Public Accountants
Bala Cynwyd, Pennsylvania

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Dear Colleague:

1984 is the second year in which the annual PIA Financial Ratio Study has analyzed combination offset sheetfed/web plants — printing firms whose sales volume is composed of more than 20% web and more than 20% sheetfed jobs. Within the context of the PIA Financial Ratio Study, printers with less than 20% of sales made up of web jobs are classified as sheetfed printers; more than 80% web are classified as either web heatset or non-heatset printers. These particular printing operations are examined in Volumes V, VI, and VII of the study, respectively.

The 100 firms participating in the 1984 Combination Offset-Sheetfed/Web Study, represent a 23 percent increase over last year. Since PIA's goal is to serve the needs of the printing industry, we are pleased at the response to this new part of the annual PIA Financial Ratio Study.

William A. Rose, II
Director, PIA Financial Services

VALUE ADDED -- WHAT IT MEANS TO YOU

VALUE ADDED DEFINED

Value added is simply your sales less material costs, which include paper, other chargeable materials and outside services. Value added is, therefore, that component of a sale attributable to your own manufacture. It is calculated as follows:

Sales		\$100.00
Less Materials:		
Paper	\$ 23.03	
Other chargeable materials	5.38	
Outside services	8.03	36.44
		<u> </u>
Value Added		\$ 63.56
		<u> </u>

Other chargeable materials include ink, film, plates, etc., but not general supplies, such as repair or maintenance parts. Outside services are purchases of job-related services -- composition, offset preparation, printing, bindery, etc.

KNOWN BY OTHER TERMS

Value added is also known by such other terms as inside sales, conversion value, inside manufacturing value and real contribution to overhead and profit. Whatever the term, the concept of value added is of prime importance to the profitability of your operations.

CONCEPTUAL UNDERSTANDING OF VALUE ADDED

Once you observe that value added is the residual of sales less material costs, you realize that this value provided by your own manufacture is all you have available to pay your remaining expenses. These are:

- Factory labor
- Other factory expenses
- Administrative expenses
- Selling expenses
- Interest

Then, what is left is a profit. This is different from the basic "cost sheet concept" that we are accustomed to in the printing industry.

Since, generally, within a relevant range of operations, these expenses behave as fixed costs, the "overhead" represented by these expenses will remain practically constant. Therefore, you want to maximize your value added.

Let us illustrate this with the following example, in which we are increasing the value added derived from \$1,000,000 of sales from \$635,600 to \$675,000 to see the effect on operating income. We will assume that "overhead" (factory labor; other factory, administrative, selling and interest expenses) will remain the same.

The assumption that these expenses will not increase is being taken with some license; actually they would increase, but very little. We are taking this liberty to prove the point that, within this relevant range, these expenses behave in a fixed manner. This helps to understand the effect of value added on profit.

	<u>Original</u>	<u>After Increase in Value Added</u>
SALES	\$1,000,000	
Material Costs	<u>364,400</u>	
VALUE ADDED	635,600	\$675,000
"Overhead"	<u>591,000</u>	<u>591,000</u>
Operating Income	<u>\$ 44,600</u>	<u>\$ 84,000</u>

STATEMENT OF OPERATIONS -- VALUE ADDED: THE BETTER STATEMENT

By eliminating the distortion that material costs introduce into the conventional operating statement, value added gives you a truer picture of your operations.

For example, if we were comparing the statement of operations of a short-run, sheet-fed company with that of a web-offset firm, and our comparison was related to percentages based on sales, we could have significant differences in ratios. The reason: the significant differences in material costs. It would appear that the web-offset operation had a lower factory labor cost because a substantial amount of the sale was materials. But, in truth, the factory labor cost could be more or less than its counterpart sheet-fed operation as it relates to the value added produced by this labor.

Almost every company's product mix is different and, by using statements of operations based on value added, this product mix difference is eliminated. In conclusion, the Statement of Operations -- Value Added is a better statement with which to evaluate your operations.

CHAPTER 1 - BY SIZE OF FIRM

REPORT ON OPERATIONS - VALUE ADDED = 100%

	ALL FIRMS REPORTING PROFIT ALL FIRMS LEADERS*		SALES TO \$1.5 MILLION** ALL FIRMS
SALES OR VALUE OF PRODUCT PRODUCED	X	X	X
LESS: PAPER, OTHER CHARGEABLE MATERIALS AND OUTSIDE SERVICES	X	X	X
VALUE ADDED BY MANUFACTURE	100.00%	100.00%	100.00%
FACTORY PAYROLL	45.48	38.77	42.46
FACTORY EXPENSES	20.43	18.60	21.58
TOTAL FACTORY COST OF PRODUCT	65.91	57.37	64.04
GROSS PROFIT	34.09	42.63	35.96
ADMINISTRATIVE AND SELLING EXPENSES			
Administrative expenses	12.95	11.80	16.00
Selling expenses	13.14	11.46	8.88
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	26.09	23.26	24.88
INCOME BEFORE INTEREST EXPENSE	8.00	19.37	11.08
Interest expense	3.70	1.32	3.60
OPERATING INCOME	4.30	18.05	7.48
Other income	1.36	2.41	3.21
INCOME BEFORE INCOME TAXES	5.66	20.46	10.69

* See Page 10 for the definition of "Profit Leaders."

** Sample insufficient for Profit Leaders.

SALES FROM \$1.5 TO \$5 MILLION		SALES FROM \$5 TO \$10 MILLION		SALES FROM \$10 TO \$20 MILLION		SALES OVER \$20 MILLION	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
X	X	X	X	X	X	X	X
X	X	X	X	X	X	X	X
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
44.47	40.48	46.11	36.68	47.31	42.62	42.47	38.39
20.26	19.88	22.45	20.77	18.84	16.33	17.82	16.49
64.73	60.36	68.56	57.45	66.15	58.95	60.29	54.88
35.27	39.64	31.44	42.55	33.85	41.05	39.71	45.12
14.75	11.48	12.65	14.13	11.12	7.47	9.68	9.34
12.43	9.04	13.26	11.38	14.47	13.93	13.73	12.15
27.18	20.52	25.91	25.51	25.59	21.40	23.41	21.49
8.09	19.12	5.53	17.04	8.26	19.65	16.30	23.63
3.77	0.90	3.87	1.23	3.78	2.98	2.21	1.27
4.32	18.22	1.66	15.81	4.48	16.67	14.09	22.36
0.96	1.70	2.08	2.69	0.89	2.26	1.05	1.54
5.28	19.92	3.74	18.50	5.37	18.93	15.14	23.90

CHAPTER 1 - BY SIZE OF FIRM

SUPPORTING SCHEDULES - VALUE ADDED = 100%

	ALL FIRMS REPORTING		SALES TO
	PROFIT		\$1.5 MILLION**
	ALL FIRMS	LEADERS	ALL FIRMS
FACTORY PAYROLL			
Salaries - executive	2.84%	2.84%	4.22%
Direct wages	30.43	27.10	33.77
General factory salaries and wages	3.87	1.97	0.33
Packing, shipping and delivery wages	1.64	1.01	0.50
Payroll taxes	2.69	2.22	1.83
Employee benefits	4.01	3.63	1.81
TOTAL FACTORY PAYROLL	45.48	38.77	42.46
FACTORY EXPENSES			
Fixed Expenses			
Depreciation - real estate	0.56	0.51	0.23
Depreciation - other	5.41	5.06	8.56
Taxes - real estate	0.47	0.32	0.49
Taxes - other	0.34	0.20	0.25
Insurance	0.53	0.53	0.81
Building rent	1.51	1.42	2.49
Utilities - heat, light, etc.	2.18	1.88	1.74
Equipment rental	0.71	0.37	0.44
Total Fixed Expenses	11.71	10.29	15.01
Other Expenses			
Factory supplies and expense	3.39	3.23	2.37
Packing, shipping and delivery expense	1.54	1.91	1.24
Repairs and maintenance	2.58	2.62	2.46
Other factory expenses	1.21	0.55	0.50
Total Other Expenses	8.72	8.31	6.57
TOTAL FACTORY EXPENSES	20.43	18.60	21.58
ADMINISTRATIVE EXPENSES			
Salaries - executive	3.35	3.40	6.65
Salaries - office	3.04	2.36	2.62
Payroll taxes	0.40	0.37	0.40
Employee benefits	0.89	0.70	0.37
Bad debts	0.76	0.64	0.29
Office supplies and expenses	0.71	1.07	2.46
Professional fees	0.77	0.73	0.46
Taxes - business	0.17	0.32	0.24
Telephone	0.76	0.92	1.09
Other administrative expenses	2.10	1.29	1.42
TOTAL ADMINISTRATIVE EXPENSES	12.95	11.80	16.00
SELLING EXPENSES			
Salaries - executive	1.96	1.59	1.63
Salaries and commissions - salesmen	6.40	6.13	3.51
Salaries - sales office clerical	0.96	0.71	0.00
Payroll taxes	0.42	0.31	0.13
Employee benefits	0.54	0.55	0.09
Advertising	0.45	0.28	1.00
Travel and entertainment	1.28	1.28	0.38
Other selling expenses	1.13	0.61	2.14
TOTAL SELLING EXPENSES	13.14	11.46	8.88

** Sample insufficient for Profit Leaders.

SALES FROM \$1.5 TO \$5 MILLION		SALES FROM \$5 TO \$10 MILLION		SALES FROM \$10 TO \$20 MILLION		SALES OVER \$20 MILLION	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
2.84%	2.31%	2.82%	2.61%	2.58%	2.04%	3.14%	2.56%
29.30	26.87	31.59	27.50	31.72	28.52	23.84	23.44
4.19	1.20	3.59	1.31	3.74	3.40	6.28	3.98
1.79	1.99	1.33	0.60	2.01	1.12	1.34	1.23
2.70	2.14	2.89	2.42	2.58	2.81	2.69	2.17
3.65	5.97	3.89	2.24	4.68	4.73	5.18	5.01
44.47	40.48	46.11	36.68	47.31	42.62	42.47	38.39
0.77	0.65	0.27	0.30	0.69	1.08	0.47	0.67
4.44	5.70	6.80	5.64	5.10	3.76	3.56	3.16
0.49	0.14	0.53	0.36	0.42	0.59	0.34	0.33
0.22	0.33	0.45	0.23	0.47	0.27	0.02	0.00
0.65	0.92	0.47	0.69	0.45	0.18	0.19	0.18
1.74	1.86	1.96	2.20	0.76	0.00	0.64	0.61
1.95	1.64	2.37	1.82	2.21	3.04	2.66	1.47
1.15	0.24	0.47	0.06	0.55	1.88	0.19	0.34
11.41	11.48	13.32	11.30	10.65	10.80	8.07	6.76
3.52	3.84	3.29	3.71	3.18	1.75	4.68	3.56
1.68	1.93	1.38	1.85	1.41	0.22	2.24	3.78
2.55	2.50	2.97	3.26	2.31	2.86	2.14	1.58
1.10	0.13	1.49	0.65	1.29	0.70	0.69	0.81
8.85	8.40	9.13	9.47	8.19	5.53	9.75	9.73
20.26	19.88	22.45	20.77	18.84	16.33	17.82	16.49
4.05	3.19	3.29	4.82	2.08	1.26	2.45	2.25
3.29	3.05	2.96	3.28	3.18	1.13	1.68	1.13
0.54	0.46	0.37	0.54	0.28	0.11	0.25	0.15
1.17	1.13	0.87	0.77	0.64	0.47	0.83	0.49
0.74	0.06	0.69	0.89	1.02	0.87	0.39	0.66
0.93	0.88	0.49	0.63	0.46	0.44	0.49	0.50
0.74	0.64	1.01	0.82	0.64	1.12	0.61	0.61
0.14	0.17	0.20	0.38	0.16	0.17	0.21	0.42
0.93	1.02	0.70	0.89	0.60	0.71	0.58	0.56
2.22	0.88	2.07	1.11	2.06	1.19	2.19	2.57
14.75	11.48	12.65	14.13	11.12	7.47	9.68	9.34
2.04	1.35	2.54	1.34	1.34	5.02	1.55	0.66
5.78	3.40	6.22	6.55	7.77	2.80	6.99	8.14
0.94	1.35	0.74	0.40	1.37	1.49	0.95	0.50
0.43	0.41	0.49	0.38	0.39	0.26	0.32	0.18
0.38	0.79	0.62	0.31	0.68	1.55	0.80	0.39
0.52	0.28	0.35	0.32	0.41	0.57	0.32	0.09
1.39	0.97	1.31	1.82	1.18	1.48	1.48	0.62
0.95	0.49	0.99	0.26	1.33	0.76	1.32	1.57
12.43	9.04	13.26	11.38	14.47	13.93	13.73	12.15

CHAPTER 1 - BY SIZE OF FIRM

REPORT ON OPERATIONS - SALES = 100%

	ALL FIRMS REPORTING		SALES TO
	PROFIT		\$1.5 MILLION**
	ALL FIRMS	LEADERS*	ALL FIRMS
SALES OR VALUE OF PRODUCT PRODUCED	100.00%	100.00%	100.00%
FACTORY COST OF PRODUCT			
MATERIALS			
Paper	26.50	26.61	25.49
Other chargeable materials	5.97	6.34	10.64
Outside services	8.02	6.82	2.57
TOTAL MATERIALS	40.49	39.77	38.70
FACTORY PAYROLL	27.07	23.56	25.98
FACTORY EXPENSES	12.13	11.11	13.08
TOTAL FACTORY COST OF PRODUCT	79.69	74.44	77.76
GROSS PROFIT	20.31	25.56	22.24
ADMINISTRATIVE AND SELLING EXPENSES			
Administrative expenses	7.74	7.18	10.19
Selling expenses	7.81	6.93	5.44
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	15.55	14.11	15.63
INCOME BEFORE INTEREST EXPENSE	4.76	11.45	6.61
Interest expense	2.17	0.81	2.11
OPERATING INCOME	2.59	10.64	4.50
Other income	0.77	1.37	2.00
INCOME BEFORE INCOME TAXES	3.36	12.01	6.50

SUPPORTING SCHEDULES - SALES = 100%

OTHER CHARGEABLE MATERIALS			
Ink	2.28%	2.23%	3.79%
Film	1.21	0.89	3.51
Plates	1.24	1.36	2.47
Other chargeable materials	1.24	1.86	0.87
TOTAL OTHER CHARGEABLE MATERIALS	5.97	6.34	10.64
OUTSIDE SERVICES			
Composition	0.90	0.38	0.25
Offset preparation	1.33	0.56	0.52
Printing	1.19	1.36	1.01
Binding	2.76	1.42	0.52
Other outside services	1.84	3.10	0.27
TOTAL OUTSIDE SERVICES	8.02	6.82	2.57

* "Profit Leaders" are those firms which earned 8% or greater pretax profits on sales.

** Sample insufficient for Profit Leaders.

SALES FROM \$1.5 TO \$5 MILLION		SALES FROM \$5 TO \$10 MILLION		SALES FROM \$10 TO \$20 MILLION		SALES OVER \$20 MILLION	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
25.73	25.76	28.68	30.00	25.17	17.19	26.84	23.98
5.01	3.78	5.87	6.51	6.14	4.75	8.11	9.59
6.94	5.38	8.91	6.92	9.13	10.29	8.86	7.20
37.68	34.92	43.46	43.43	40.44	32.23	43.81	40.77
27.64	26.20	25.94	21.04	28.51	28.97	23.80	22.82
12.66	13.05	12.77	11.76	11.07	10.09	9.98	9.99
77.98	74.17	82.17	76.23	80.02	71.29	77.59	73.58
22.02	25.83	17.83	23.77	19.98	28.71	22.41	26.42
9.17	7.48	7.11	7.84	6.54	5.22	5.98	6.59
7.89	5.75	7.44	6.46	8.53	9.90	7.67	7.09
17.06	13.23	14.55	14.30	15.07	15.12	13.65	13.68
4.96	12.60	3.28	9.47	4.91	13.59	8.76	12.74
2.31	0.57	2.18	0.67	2.20	2.00	1.22	0.84
2.65	12.03	1.10	8.80	2.71	11.59	7.54	11.90
0.60	1.07	1.12	1.52	0.50	1.37	0.46	0.66
3.25	13.10	2.22	10.32	3.21	12.96	8.00	12.56
1.30%	0.89%	2.47%	2.19%	3.00%	3.63%	3.28%	2.70%
1.22	1.03	1.29	1.55	1.11	0.51	0.46	0.23
1.14	1.65	1.30	1.63	1.25	0.61	0.98	1.21
1.35	0.21	0.81	1.14	0.78	0.00	3.39	5.45
5.01	3.78	5.87	6.51	6.14	4.75	8.11	9.59
0.82	0.32	1.05	0.87	1.11	0.00	0.40	0.51
0.75	0.86	1.74	1.09	1.77	0.00	1.18	0.73
1.12	2.62	0.92	1.71	1.41	0.00	1.60	1.94
2.07	0.07	3.54	0.32	2.98	0.00	3.57	2.93
2.18	1.51	1.66	2.93	1.86	10.29	2.11	1.09
6.94	5.38	8.91	6.92	9.13	10.29	8.86	7.20

CHAPTER 1 - BY SIZE OF FIRM

SUPPORTING SCHEDULES - SALES = 100%

	ALL FIRMS REPORTING		SALES TO \$1.5 MILLION**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
FACTORY PAYROLL			
Salaries - executive	1.69%	1.71%	2.46%
Direct wages	18.10	16.30	20.61
General factory salaries and wages	2.31	1.26	0.22
Packing, shipping and delivery wages	0.97	0.63	0.33
Payroll taxes	1.62	1.38	1.16
Employee benefits	2.38	2.28	1.20
TOTAL FACTORY PAYROLL	27.07	23.56	25.98
FACTORY EXPENSES			
Fixed Expenses			
Depreciation - real estate	0.34	0.33	0.15
Depreciation - other	3.17	2.97	5.06
Taxes - real estate	0.27	0.18	0.25
Taxes - other	0.21	0.13	0.17
Insurance	0.31	0.31	0.51
Building rent	0.90	0.85	1.37
Utilities - heat, light, etc.	1.28	1.12	1.08
Equipment rental	0.44	0.24	0.31
Total Fixed Expenses	6.92	6.13	8.90
Other Expenses			
Factory supplies and expense	2.03	1.91	1.59
Packing, shipping and delivery expense	0.94	1.22	0.73
Repairs and maintenance	1.51	1.55	1.59
Other factory expenses	0.73	0.30	0.27
Total Other Expenses	5.21	4.98	4.18
TOTAL FACTORY EXPENSES	12.13	11.11	13.08
ADMINISTRATIVE EXPENSES			
Salaries - executive	2.01	2.08	4.33
Salaries - office	1.80	1.34	1.64
Payroll taxes	0.24	0.22	0.28
Employee benefits	0.52	0.43	0.26
Bad debts	0.44	0.40	0.20
Office supplies and expenses	0.43	0.64	1.47
Professional fees	0.46	0.46	0.29
Taxes - business	0.10	0.20	0.16
Telephone	0.46	0.57	0.65
Other administrative expenses	1.28	0.84	0.91
TOTAL ADMINISTRATIVE EXPENSES	7.74	7.18	10.19
SELLING EXPENSES			
Salaries - executive	1.19	1.04	1.11
Salaries and commissions - salesmen	3.76	3.51	2.11
Salaries - sales office clerical	0.58	0.45	0.00
Payroll taxes	0.25	0.19	0.09
Employee benefits	0.33	0.37	0.06
Advertising	0.28	0.19	0.60
Travel and entertainment	0.75	0.75	0.22
Other selling expenses	0.67	0.43	1.25
TOTAL SELLING EXPENSES	7.81	6.93	5.44

** Sample insufficient for Profit Leaders.

SALES FROM \$1.5 TO \$5 MILLION		SALES FROM \$5 TO \$10 MILLION		SALES FROM \$10 TO \$20 MILLION		SALES OVER \$20 MILLION	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
1.77%	1.45%	1.61%	1.57%	1.51%	1.08%	1.87%	1.62%
18.14	17.47	17.82	15.59	19.10	19.36	13.50	13.60
2.65	0.76	1.99	0.78	2.29	2.51	3.30	2.46
1.11	1.30	0.75	0.37	1.18	0.74	0.76	0.73
1.68	1.39	1.62	1.39	1.62	1.94	1.53	1.41
2.29	3.83	2.15	1.34	2.81	3.34	2.84	3.00
27.64	26.20	25.94	21.04	28.51	28.97	23.80	22.82
0.46	0.42	0.15	0.18	0.42	0.76	0.26	0.40
2.77	3.71	3.94	3.21	2.86	2.04	1.96	1.81
0.31	0.09	0.28	0.19	0.22	0.34	0.18	0.18
0.14	0.23	0.27	0.15	0.29	0.22	0.01	0.00
0.40	0.61	0.26	0.35	0.27	0.13	0.11	0.12
1.07	1.20	1.12	1.26	0.46	0.00	0.39	0.42
1.21	1.07	1.34	1.04	1.31	1.84	1.45	0.86
0.74	0.15	0.25	0.04	0.34	1.30	0.11	0.20
7.10	7.48	7.61	6.42	6.17	6.63	4.47	3.99
2.20	2.53	1.86	2.10	1.94	1.28	2.45	1.91
1.06	1.29	0.80	1.06	0.84	0.12	1.51	2.66
1.57	1.66	1.67	1.86	1.33	1.61	1.15	0.95
0.73	0.09	0.83	0.32	0.79	0.45	0.40	0.48
5.56	5.57	5.16	5.34	4.90	3.46	5.51	6.00
12.66	13.05	12.77	11.76	11.07	10.09	9.98	9.99
2.51	2.03	1.87	2.79	1.24	0.91	1.50	1.57
2.03	2.01	1.65	1.66	1.86	0.77	0.99	0.76
0.34	0.31	0.21	0.30	0.17	0.07	0.14	0.10
0.69	0.73	0.48	0.43	0.39	0.36	0.46	0.33
0.44	0.03	0.40	0.52	0.56	0.62	0.26	0.44
0.60	0.58	0.26	0.35	0.27	0.29	0.29	0.33
0.46	0.42	0.55	0.45	0.38	0.81	0.38	0.44
0.08	0.11	0.12	0.23	0.10	0.14	0.13	0.26
0.60	0.67	0.40	0.51	0.35	0.45	0.37	0.42
1.42	0.59	1.17	0.60	1.22	0.80	1.46	1.94
9.17	7.48	7.11	7.84	6.54	5.22	5.98	6.59
1.29	0.88	1.44	0.79	0.85	3.61	0.88	0.41
3.68	2.19	3.46	3.68	4.46	1.74	3.79	4.43
0.61	0.81	0.41	0.23	0.84	1.23	0.51	0.24
0.28	0.26	0.27	0.22	0.24	0.18	0.18	0.12
0.24	0.50	0.35	0.18	0.43	1.25	0.44	0.23
0.34	0.19	0.20	0.19	0.25	0.47	0.16	0.05
0.86	0.60	0.74	1.01	0.69	0.86	0.84	0.45
0.59	0.32	0.57	0.16	0.77	0.56	0.87	1.16
7.89	5.75	7.44	6.46	8.53	9.90	7.67	7.09

CHAPTER 1 - BY SIZE OF FIRM

BALANCE SHEET

	ALL FIRMS REPORTING		SALES TO
	ALL FIRMS	PROFIT LEADERS	\$1.5 MILLION**
ASSETS			ALL FIRMS
CURRENT ASSETS			
Cash	5.73%	13.97%	18.47%
Receivables	32.51	30.70	25.45
Inventories	15.02	13.62	11.62
Other current assets	3.85	5.41	1.17
TOTAL CURRENT ASSETS	57.11	63.70	56.71
FIXED ASSETS			
Real estate	13.20	10.00	7.06
Less: Accumulated depreciation	3.35	2.22	3.60
	9.85	7.78	3.46
Machinery and equipment	62.33	51.19	88.08
Less: Accumulated depreciation	34.29	29.06	49.00
	28.04	22.13	39.08
Other fixed assets	5.50	5.68	1.18
Less: Accumulated depreciation	3.15	3.16	0.78
	2.35	2.52	0.40
NET FIXED ASSETS	40.24	32.43	42.94
OTHER ASSETS	2.65	3.87	0.35
TOTAL ASSETS	100.00	100.00	100.00
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Notes payable	10.36	2.54	5.02
Accounts payable	14.77	13.16	9.06
Other current liabilities	9.18	8.76	6.71
TOTAL CURRENT LIABILITIES	34.31	24.46	20.79
LONG-TERM LIABILITIES	27.28	13.83	24.36
TOTAL LIABILITIES	61.59	38.29	45.15
SHAREHOLDERS' AND PROPRIETORS' EQUITY	38.41	61.71	54.85
TOTAL LIABILITIES AND EQUITY	100.00	100.00	100.00

BALANCE SHEET RATIOS

CURRENT RATIO	1.66	2.60	2.73
QUICK RATIO	1.23	2.05	2.17
TOTAL LIABILITIES TO EQUITY	1.60	0.62	0.82
LONG-TERM LIABILITIES TO EQUITY	0.71	0.22	0.44
ACCUMULATED DEPRECIATION - MACHINERY AND EQUIPMENT TO TOTAL MACHINERY AND EQUIPMENT	0.55	0.57	0.56

** Sample insufficient for Profit Leaders.

SALES FROM \$1.5 TO \$5 MILLION		SALES FROM \$5 TO \$10 MILLION		SALES FROM \$10 TO \$20 MILLION		SALES OVER \$20 MILLION	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
6.96%	15.01%	6.25%	14.73%	2.17%	0.87%	2.97%	4.65%
32.17	28.98	31.88	28.67	34.55	34.88	33.33	35.94
14.83	10.23	15.77	15.57	14.94	15.65	15.13	15.65
3.37	2.36	4.57	5.32	3.94	10.59	4.56	7.01
57.33	56.58	58.47	64.29	55.60	61.99	55.99	63.25
13.61	15.03	8.87	8.22	18.94	11.04	11.02	11.75
3.80	3.37	1.76	1.37	4.75	5.82	2.29	1.38
9.81	11.66	7.11	6.85	14.19	5.22	8.73	10.37
62.96	68.22	65.77	53.41	57.70	52.67	45.04	37.24
35.44	41.57	36.81	32.08	31.21	25.79	18.93	18.29
27.52	26.65	28.96	21.33	26.49	26.88	26.11	18.95
8.60	8.48	4.44	7.19	3.79	2.85	2.92	3.15
5.13	5.04	2.29	3.94	2.24	1.61	1.38	1.57
3.47	3.44	2.15	3.25	1.55	1.24	1.54	1.58
40.80	41.75	38.22	31.43	42.23	33.34	36.38	30.90
1.87	1.67	3.31	4.28	2.17	4.67	7.63	5.85
100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
10.31	2.24	11.29	2.94	11.00	3.97	6.88	1.81
15.69	13.49	16.17	13.43	12.94	8.61	14.28	14.75
8.41	0.85	9.42	7.35	9.62	17.94	12.30	16.49
34.41	16.58	36.88	23.72	33.56	30.52	33.46	33.05
28.76	8.71	22.92	14.67	31.09	24.48	25.18	14.50
63.17	25.29	59.80	38.39	64.65	55.00	58.64	47.55
36.83	74.71	40.20	61.61	35.35	45.00	41.36	52.45
100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

1.67	3.41	1.59	2.71	1.66	2.03	1.67	1.91
1.24	2.80	1.16	2.05	1.21	1.52	1.22	1.44
1.72	0.34	1.49	0.62	1.83	1.22	1.42	0.91
0.78	0.12	0.57	0.24	0.88	0.54	0.61	0.28
0.56	0.61	0.56	0.60	0.54	0.49	0.42	0.49

CHAPTER 1 - BY SIZE OF FIRM

SIGNIFICANT FACTS

	ALL FIRMS REPORTING		SALES TO
	PROFIT		\$1.5 MILLION**
	ALL FIRMS	LEADERS	ALL FIRMS
INVESTMENT			
Average assets per employee - All employees	\$ 43,693	\$ 49,436	\$ 32,686
Average assets per factory employee (Excluding Executives)	58,482	63,706	45,300
Average net worth per employee - All employees	17,138	29,531	18,539
Average gross plant investment per factory employee (Excluding Executives)	46,144	41,952	39,932
Net worth percentage of fixed assets	121.18%	233.81%	216.29%
EMPLOYEES			
Percent factory - All employees	79.34%	81.78%	79.95%
Percent administrative - All employees	10.55	9.32	13.58
Percent sales - All employees	10.11	8.90	6.47
SALES - VALUE OF PRODUCT PRODUCED			
INCLUDING EXECUTIVES			
Sales per employee - All employees	\$ 77,546	\$ 89,007	\$ 53,564
Sales per factory employee	99,103	108,647	67,382
Sales less material per factory employee	57,497	63,053	40,632
Sales per administrative employee	927,652	1,331,422	598,922
EXCLUDING EXECUTIVES			
Sales per employee - All employees	84,208	96,781	64,351
Sales per factory employee	104,127	114,623	74,541
Sales less material per factory employee	60,435	66,500	44,796
SALES PER SALESMAN	784,663	1,075,410	144,000
SALES TO CURRENT ASSETS	349%	310%	353%
PAYROLL - INCLUDING TAXES AND BENEFITS			
INCLUDING EXECUTIVES			
Total payroll percentage of sales	37.76%	33.21%	35.86%
Factory payroll percentage of gross plant investment	68.88	73.02	60.80
Payroll per employee - All employees	\$ 28,327	\$ 28,384	\$ 18,332
Payroll per factory employee	25,424	24,345	16,668
Payroll per administrative employee	33,533	38,043	22,858
Payroll per sales employee	49,114	61,352	23,878
PAYROLL - EXCLUDING TAXES AND BENEFITS			
EXCLUDING EXECUTIVES			
Payroll per employee - All employees	\$ 22,290	\$ 21,932	\$ 15,248
Payroll per factory employee	20,991	19,891	14,999
Payroll per administrative employee	16,862	16,734	11,326
Payroll per sales employee	40,617	50,036	39,415
EXECUTIVE PAYROLL			
Payroll per executive - All executives	50,712	53,018	25,493
Payroll per factory executive	31,720	29,647	23,447
Payroll per administrative executive	63,623	71,891	27,323
Payroll per sales executive	59,238	71,952	14,236
RECEIVABLES			
Collection period	66.3	65.1	59.5
PROFIT			
Gross profit percentage of sales	20.31%	25.56%	22.24%
Average gross profit per factory employee	\$ 21,340	\$ 28,492	\$ 16,752
Income before taxes percentage of sales	3.36%	12.01%	6.50%
Average income before taxes per employee	\$ 2,870	\$ 10,656	\$ 3,051

** Sample insufficient for Profit Leaders.

SALES FROM \$1.5 TO \$5 MILLION		SALES FROM \$5 TO \$10 MILLION		SALES FROM \$10 TO \$20 MILLION		SALES OVER \$20 MILLION	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
\$ 34,207	\$ 33,076	\$ 47,432	\$ 50,305	\$ 48,825	\$ 59,726	\$ 66,058	\$ 60,661
46,731	41,981	64,006	67,344	64,302	68,398	83,894	75,051
13,404	24,409	19,315	30,653	17,355	27,942	26,527	32,163
41,169	38,958	49,529	46,385	49,354	48,700	49,029	39,423
123.46%	238.87%	128.60%	231.31%	95.00%	148.47%	122.01%	170.85%
77.75%	81.18%	79.11%	78.97%	80.61%	89.96%	83.80%	84.68%
12.01	10.31	10.39	12.74	9.29	4.15	6.34	5.71
10.24	8.51	10.50	8.29	10.10	5.89	9.86	9.61
\$ 65,219	\$ 75,993	\$ 81,904	\$ 84,562	\$ 83,202	\$ 93,218	\$ 119,864	\$ 124,696
85,584	94,427	104,873	107,461	105,401	103,564	143,927	146,621
52,562	62,068	58,415	59,397	61,157	69,811	77,243	78,037
622,142	762,844	943,708	681,178	1,060,374	2,255,699	2,276,213	2,844,495
71,187	82,084	89,898	93,284	88,373	99,108	127,850	132,556
89,527	98,492	110,544	113,129	110,037	106,664	152,398	154,876
55,014	64,619	61,723	62,811	63,757	71,453	81,866	82,286
502,547	379,671	755,190	976,020	947,451	2,142,857	1,781,134	1,653,429
382%	465%	324%	277%	335%	261%	337%	324%
39.31%	35.93%	36.08%	31.31%	38.99%	39.08%	32.69%	31.02%
74.00	72.18	62.19	55.71	69.40	90.84	74.41	86.23
\$ 25,019	\$ 27,236	\$ 29,229	\$ 26,054	\$ 31,203	\$ 35,921	\$ 37,468	\$ 34,591
22,649	24,382	26,246	21,864	27,972	29,834	32,424	29,941
31,591	37,726	33,678	36,015	33,655	45,743	50,756	45,639
40,014	45,357	47,888	55,460	62,093	118,899	68,708	67,515
\$ 19,478	\$ 20,279	\$ 22,768	\$ 20,447	\$ 25,229	\$ 25,674	\$ 28,346	\$ 27,091
18,732	19,144	21,732	18,428	23,039	23,786	25,705	23,566
15,154	19,732	17,337	16,346	18,870	22,368	19,521	16,460
30,544	31,466	39,425	50,448	52,234	75,059	55,594	61,972
43,772	45,438	47,810	44,602	58,833	97,627	86,851	63,170
30,591	36,267	29,792	26,321	32,788	20,713	48,517	41,623
51,721	54,299	55,118	55,766	70,773	89,054	167,374	134,631
39,189	60,646	58,887	52,222	75,679	151,641	136,633	100,155
59.0	45.7	68.4	66.4	74.3	80.5	69.0	65.4
22.02%	25.83%	17.83%	23.77%	19.98%	28.71%	22.41%	26.42%
\$ 20,059	\$ 26,276	\$ 19,998	\$ 26,532	\$ 22,528	\$ 30,053	\$ 33,210	\$ 37,241
3.25%	13.10%	2.22%	10.32%	3.21%	12.96%	8.00%	12.56%
\$ 2,408	\$ 10,316	\$ 1,951	\$ 8,593	\$ 2,861	\$ 11,931	\$ 9,932	\$ 16,047

CHAPTER 1 - BY SIZE OF FIRM

RETURN ON INVESTMENT - PER \$100 OF SALES

	ALL FIRMS REPORTING		SALES TO
	PROFIT		\$1.5 MILLION**
	ALL FIRMS	LEADERS	ALL FIRMS
INVESTMENT			
Current Assets:			
Cash	\$ 3.11	\$ 8.66	\$15.34
Receivables	17.53	17.16	15.89
Inventories	8.03	7.41	5.42
Marketable securities	0.86	2.16	0.54
Other current assets	1.31	1.13	0.17
	<u>30.84</u>	<u>36.52</u>	<u>37.36</u>
Plant Investment:			
Land and building	8.64	6.42	5.32
Machinery and equipment	34.24	29.29	47.78
Other fixed assets	2.86	3.09	0.89
	<u>45.74</u>	<u>38.80</u>	<u>53.99</u>
Non-Current Assets	<u>1.43</u>	<u>2.24</u>	<u>0.26</u>
TOTAL INVESTMENT	<u>78.01</u>	<u>77.56</u>	<u>91.61</u>
INVESTMENT TURNOVER PER \$100 OF SALES	<u>128.19%</u>	<u>128.93%</u>	<u>109.16%</u>
EARNINGS			
Cost of Product	\$79.69	\$74.44	\$77.76
Selling Expenses	7.81	6.93	5.44
Administrative Expenses	7.74	7.18	10.19
	<u>95.24</u>	<u>88.55</u>	<u>93.39</u>
Income Before Interest, Other Income, and Taxes	<u>4.76</u>	<u>11.45</u>	<u>6.61</u>
RETURN ON INVESTMENT - INVESTMENT TURNOVER X INCOME	6.10%	14.76%	7.22%

** Sample insufficient for Profit Leaders.

SALES FROM \$1.5 TO \$5 MILLION		SALES FROM \$5 TO \$10 MILLION		SALES FROM \$10 TO \$20 MILLION		SALES OVER \$20 MILLION	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
\$ 2.99	\$ 5.55	\$ 3.65	\$ 8.70	\$ 1.13	\$ 0.51	\$ 1.70	\$ 2.64
15.42	11.90	18.13	17.17	19.76	21.72	18.39	17.44
7.51	4.22	8.85	9.06	8.16	9.95	8.33	7.53
0.30	0.49	1.53	2.53	0.69	2.18	1.85	3.70
1.36	0.35	1.33	1.08	1.48	4.04	0.86	0.46
27.58	22.51	33.49	38.54	31.22	38.40	31.13	31.77
9.41	9.16	5.93	6.04	11.68	7.44	6.28	6.00
32.80	30.14	37.27	32.84	32.59	35.44	26.08	19.06
4.13	3.53	2.61	4.34	1.99	1.70	1.69	1.67
46.34	42.83	45.81	43.22	46.26	44.58	34.05	26.73
0.79	0.69	1.99	2.78	1.15	2.45	4.47	3.15
74.71	66.03	81.29	84.54	78.63	85.43	69.65	61.65
133.85%	151.45%	123.02%	118.29%	127.18%	117.05%	143.58%	162.21%
\$77.98	\$74.17	\$82.17	\$76.23	\$80.02	\$71.29	\$77.59	\$73.58
7.89	5.75	7.44	6.46	8.53	9.90	7.67	7.09
9.17	7.48	7.11	7.84	6.54	5.22	5.98	6.59
95.04	87.40	96.72	90.53	95.09	86.41	91.24	87.26
4.96	12.60	3.28	9.47	4.91	13.59	8.76	12.74
6.64%	19.08%	4.04%	11.20%	6.24%	15.91%	12.58%	20.67%

CHAPTER 2 - BY PRODUCT SPECIALTY

REPORT ON OPERATIONS - VALUE ADDED = 100%

	COMMERCIAL AND ADVERTISING PROFIT ALL FIRMS LEADERS		MAGAZINE AND PERIODICAL** ALL FIRMS
SALES OR VALUE OF PRODUCT PRODUCED	X	X	X
LESS: PAPER, OTHER CHARGEABLE MATERIALS AND OUTSIDE SERVICES	X	X	X
VALUE ADDED BY MANUFACTURE	100.00%	100.00%	100.00%
FACTORY PAYROLL	44.51	37.01	54.00
FACTORY EXPENSES	21.01	18.32	21.19
TOTAL FACTORY COST OF PRODUCT	65.52	55.33	75.19
GROSS PROFIT	34.48	44.67	24.81
ADMINISTRATIVE AND SELLING EXPENSES			
Administrative expenses	13.07	10.33	13.10
Selling expenses	14.01	12.12	6.57
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	27.08	22.45	19.67
INCOME BEFORE INTEREST EXPENSE	7.40	22.22	5.14
Interest expense	3.87	0.67	5.48
OPERATING INCOME (LOSS)	3.53	21.55	(0.34)
Other income	1.12	2.04	1.02
INCOME BEFORE INCOME TAXES	4.65	23.59	0.68

** Sample insufficient for Profit Leaders.

NEWSPAPER**	FINANCIAL		BOOK		NO PREDOMINANT PRODUCT**
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
X	X	X	X	X	X
X	X	X	X	X	X
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
49.61 18.79	41.34 17.09	39.65 13.19	47.61 18.37	35.64 21.15	44.41 19.52
68.40	58.43	52.84	65.98	56.79	63.93
31.60	41.57	47.16	34.02	43.21	36.07
11.72 11.54	13.43 12.70	13.55 14.87	13.00 10.95	14.66 11.42	12.70 14.41
23.26	26.13	28.42	23.95	26.08	27.11
8.34	15.44	18.74	10.07	17.13	8.96
3.03	2.94	2.32	2.77	1.67	3.17
5.31	12.50	16.42	7.30	15.46	5.79
2.01	0.47	0.38	2.45	3.26	1.92
7.32	12.97	16.80	9.75	18.72	7.71

CHAPTER 2 - BY PRODUCT SPECIALTY

SUPPORTING SCHEDULES - VALUE ADDED = 100%

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
FACTORY PAYROLL			
Salaries - executive	2.75%	3.22%	1.55%
Direct wages	29.40	27.24	41.56
General factory salaries and wages	4.35	1.56	1.70
Packing, shipping and delivery wages	1.60	0.62	0.93
Payroll taxes	2.60	1.85	3.69
Employee benefits	3.81	2.52	4.57
TOTAL FACTORY PAYROLL	44.51	37.01	54.00
FACTORY EXPENSES			
Fixed Expenses			
Depreciation - real estate	0.45	0.36	2.42
Depreciation - other	5.76	5.16	4.10
Taxes - real estate	0.50	0.29	0.15
Taxes - other	0.40	0.13	0.15
Insurance	0.48	0.34	0.46
Building rent	1.62	1.74	1.47
Utilities - heat, light, etc.	2.32	1.62	1.77
Equipment rental	0.72	0.15	0.08
Total Fixed Expenses	12.25	9.79	10.60
Other Expenses			
Factory supplies and expense	3.37	3.41	4.52
Packing, shipping and delivery expense	1.59	2.27	1.76
Repairs and maintenance	2.58	2.47	2.44
Other factory expenses	1.22	0.38	1.87
Total Other Expenses	8.76	8.53	10.59
TOTAL FACTORY EXPENSES	21.01	18.32	21.19
ADMINISTRATIVE EXPENSES			
Salaries - executive	3.37	2.95	3.44
Salaries - office	3.17	1.94	3.01
Payroll taxes	0.39	0.29	0.44
Employee benefits	0.93	0.55	0.81
Bad debts	0.67	0.29	2.63
Office supplies and expenses	0.70	1.66	0.40
Professional fees	0.76	0.53	0.60
Taxes - business	0.16	0.46	0.41
Telephone	0.69	0.73	0.67
Other administrative expenses	2.23	0.93	0.69
TOTAL ADMINISTRATIVE EXPENSES	13.07	10.33	13.10
SELLING EXPENSES			
Salaries - executive	2.14	1.22	0.26
Salaries and commissions - salesmen	7.08	8.19	3.04
Salaries - sales office clerical	0.85	0.37	0.65
Payroll taxes	0.41	0.27	0.23
Employee benefits	0.57	0.34	0.46
Advertising	0.45	0.19	0.16
Travel and entertainment	1.25	1.11	0.75
Other selling expenses	1.26	0.43	1.02
TOTAL SELLING EXPENSES	14.01	12.12	6.57

** Sample insufficient for Profit Leaders. -22-

NEWSPAPER**	FINANCIAL		BOOK		NO PREDOMINANT PRODUCT**
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
2.47%	2.12%	1.54%	4.09%	2.43%	3.17%
34.50	26.96	23.91	31.99	25.29	28.54
2.04	3.92	4.61	3.16	1.80	2.75
3.66	1.08	1.21	1.34	1.08	1.28
2.27	2.92	2.82	2.77	2.34	3.32
4.67	4.34	5.56	4.26	2.70	5.35
49.61	41.34	39.65	47.61	35.64	44.41
0.79	0.51	0.77	0.40	0.41	0.91
6.52	2.47	1.28	4.32	5.88	3.59
0.30	0.08	0.11	0.68	0.58	0.56
0.20	0.28	0.27	0.07	0.07	0.20
0.57	0.29	0.28	0.81	0.79	0.71
1.00	1.02	0.39	1.13	1.47	1.84
1.34	1.01	1.20	2.13	2.47	1.87
0.07	0.87	1.24	0.36	0.43	2.97
10.79	6.53	5.54	9.90	12.10	12.65
3.14	2.66	2.26	3.52	3.51	3.24
2.06	2.66	3.61	0.81	0.96	0.95
2.56	1.78	1.06	3.35	3.61	1.18
0.24	3.46	0.72	0.79	0.97	1.50
8.00	10.56	7.65	8.47	9.05	6.87
18.79	17.09	13.19	18.37	21.15	19.52
2.69	3.36	2.98	3.38	4.08	2.91
2.27	1.20	1.54	3.45	3.87	2.73
0.42	0.32	0.17	0.48	0.61	0.46
0.67	0.56	0.74	1.08	0.66	0.57
0.80	0.84	1.19	0.81	1.44	0.52
0.85	0.63	0.62	0.80	0.56	0.90
0.78	0.99	1.34	0.86	0.80	0.77
0.13	0.22	0.33	0.21	0.15	0.12
1.31	1.12	0.92	0.91	1.22	0.66
1.80	4.19	3.72	1.02	1.27	3.06
11.72	13.43	13.55	13.00	14.66	12.70
1.62	2.39	3.58	1.25	1.49	2.49
3.95	4.86	3.93	5.34	6.29	6.28
2.04	0.99	1.49	1.20	0.43	1.27
0.39	0.34	0.30	0.48	0.41	0.75
0.47	1.10	1.62	0.34	0.30	0.47
0.55	0.48	0.60	0.31	0.34	0.94
1.05	0.92	0.93	1.69	1.92	1.94
1.47	1.62	2.42	0.34	0.24	0.27
11.54	12.70	14.87	10.95	11.42	14.41

CHAPTER 2 - BY PRODUCT SPECIALTY

REPORT ON OPERATIONS - SALES = 100%

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
SALES OR VALUE OF PRODUCT PRODUCED	100.00%	100.00%	100.00%
FACTORY COST OF PRODUCT			
MATERIALS			
Paper	26.57	28.45	26.81
Other chargeable materials	6.12	8.65	5.94
Outside services	8.52	5.82	5.35
TOTAL MATERIALS	41.21	42.92	38.10
FACTORY PAYROLL	26.21	21.20	33.85
FACTORY EXPENSES	12.35	10.70	12.78
TOTAL FACTORY COST OF PRODUCT	79.77	74.82	84.73
GROSS PROFIT	20.23	25.18	15.27
ADMINISTRATIVE AND SELLING EXPENSES			
Administrative expenses	7.74	6.09	7.83
Selling expenses	8.18	6.77	4.13
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	15.92	12.86	11.96
INCOME BEFORE INTEREST EXPENSE	4.31	12.32	3.31
Interest expense	2.26	0.36	3.27
OPERATING INCOME	2.05	11.96	0.04
Other income	0.62	1.13	0.59
INCOME BEFORE INCOME TAXES	2.67	13.09	0.63

SUPPORTING SCHEDULES - SALES = 100%

OTHER CHARGEABLE MATERIALS			
Ink	2.39%	2.79%	2.85%
Film	1.23	0.88	1.62
Plates	1.20	1.65	1.36
Other chargeable materials	1.30	3.33	0.11
TOTAL OTHER CHARGEABLE MATERIALS	6.12	8.65	5.94
OUTSIDE SERVICES			
Composition	1.07	0.24	0.22
Offset preparation	1.59	0.78	0.75
Printing	1.34	1.46	0.32
Binding	2.64	2.02	3.75
Other outside services	1.88	1.32	0.31
TOTAL OUTSIDE SERVICES	8.52	5.82	5.35

** Sample insufficient for Profit Leaders.

NEWSPAPER**	FINANCIAL		BOOK		NO PREDOMINANT PRODUCT**
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
29.05	9.46	10.39	29.96	29.19	24.48
5.31	1.15	1.72	7.75	5.92	3.18
2.60	9.67	5.80	9.47	11.86	6.57
36.96	20.28	17.91	47.18	46.97	34.23
30.52	32.88	32.57	25.23	19.03	29.56
12.03	13.43	10.81	9.69	11.11	12.82
79.51	66.59	61.29	82.10	77.11	76.61
20.49	33.41	38.71	17.90	22.89	23.39
7.57	10.70	11.10	6.80	7.75	8.32
7.83	10.24	12.22	5.81	6.23	9.37
15.40	20.94	23.32	12.61	13.98	17.69
5.09	12.47	15.39	5.29	8.91	5.70
1.83	2.31	1.90	1.39	0.83	2.10
3.26	10.16	13.49	3.90	8.08	3.60
1.25	0.37	0.32	1.29	1.69	1.22
4.51	10.53	13.81	5.19	9.77	4.82

1.60%	0.08%	0.12%	2.63%	3.69%	1.14%
1.69	0.17	0.26	1.39	0.80	0.30
1.29	0.16	0.24	1.93	1.14	1.00
0.73	0.74	1.10	1.80	0.29	0.74
5.31	1.15	1.72	7.75	5.92	3.18
0.12	3.00	1.80	0.29	0.00	0.47
1.08	0.00	0.00	0.41	0.00	0.11
0.87	3.24	1.93	0.23	0.00	2.62
0.08	2.24	1.35	5.63	0.00	0.25
0.45	1.19	0.72	2.91	11.86	3.12
2.60	9.67	5.80	9.47	11.86	6.57

CHAPTER 2 - BY PRODUCT SPECIALTY

SUPPORTING SCHEDULES - SALES = 100%

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
FACTORY PAYROLL			
Salaries - executive	1.63%	1.87%	0.93%
Direct wages	17.33	15.71	26.13
General factory salaries and wages	2.56	0.81	1.05
Packing, shipping and delivery wages	0.94	0.35	0.52
Payroll taxes	1.55	1.11	2.31
Employee benefits	2.20	1.35	2.91
TOTAL FACTORY PAYROLL	26.21	21.20	33.85
FACTORY EXPENSES			
Fixed Expenses			
Depreciation - real estate	0.27	0.20	1.24
Depreciation - other	3.34	3.02	2.68
Taxes - real estate	0.28	0.16	0.09
Taxes - other	0.24	0.09	0.10
Insurance	0.29	0.22	0.29
Building rent	0.97	1.08	0.76
Utilities - heat, light, etc.	1.36	0.96	1.07
Equipment rental	0.44	0.07	0.06
Total Fixed Expenses	7.19	5.80	6.29
Other Expenses			
Factory supplies and expense	1.98	1.96	2.79
Packing, shipping and delivery expense	0.95	1.29	0.93
Repairs and maintenance	1.52	1.45	1.47
Other factory expenses	0.71	0.20	1.30
Total Other Expenses	5.16	4.90	6.49
TOTAL FACTORY EXPENSES	12.35	10.70	12.78
ADMINISTRATIVE EXPENSES			
Salaries - executive	2.02	1.71	2.05
Salaries - office	1.89	1.18	1.79
Payroll taxes	0.24	0.18	0.25
Employee benefits	0.54	0.32	0.50
Bad debts	0.37	0.15	1.55
Office supplies and expenses	0.42	0.99	0.23
Professional fees	0.44	0.32	0.37
Taxes - business	0.09	0.27	0.24
Telephone	0.41	0.44	0.41
Other administrative expenses	1.32	0.53	0.44
TOTAL ADMINISTRATIVE EXPENSES	7.74	6.09	7.83
SELLING EXPENSES			
Salaries - executive	1.27	0.71	0.18
Salaries and commissions - salesmen	4.10	4.52	1.87
Salaries - sales office clerical	0.49	0.19	0.42
Payroll taxes	0.25	0.16	0.14
Employee benefits	0.33	0.20	0.31
Advertising	0.27	0.11	0.10
Travel and entertainment	0.73	0.63	0.49
Other selling expenses	0.74	0.25	0.62
TOTAL SELLING EXPENSES	8.18	6.77	4.13

** Sample insufficient for Profit Leaders. -26-

NEWSPAPER**	FINANCIAL		BOOK		NO PREDOMINANT PRODUCT**
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
1.56%	1.66%	1.26%	2.23%	1.39%	2.09%
21.20	21.35	19.65	16.76	13.15	18.97
1.23	3.16	3.79	1.74	1.06	1.87
2.21	0.87	0.99	0.72	0.64	0.87
1.41	2.32	2.32	1.45	1.23	2.23
2.91	3.52	4.56	2.33	1.56	3.53
30.52	32.88	32.57	25.23	19.03	29.56
0.51	0.42	0.64	0.22	0.23	0.61
4.14	1.91	1.05	2.34	3.13	2.31
0.19	0.06	0.09	0.35	0.29	0.36
0.14	0.23	0.22	0.04	0.04	0.14
0.34	0.23	0.23	0.41	0.36	0.46
0.58	0.78	0.32	0.58	0.77	1.17
0.84	0.82	0.98	1.12	1.29	1.25
0.04	0.72	1.02	0.17	0.23	1.96
6.78	5.17	4.55	5.23	6.34	8.26
2.06	2.10	1.86	1.91	1.84	2.15
1.43	2.15	2.94	0.45	0.57	0.62
1.59	1.38	0.87	1.73	1.91	0.80
0.17	2.63	0.59	0.37	0.45	0.99
5.25	8.26	6.26	4.46	4.77	4.56
12.03	13.43	10.81	9.69	11.11	12.82
1.71	2.67	2.44	1.84	2.32	1.89
1.43	0.97	1.26	1.73	1.80	1.78
0.29	0.25	0.14	0.25	0.32	0.30
0.44	0.46	0.61	0.56	0.36	0.36
0.48	0.69	0.98	0.44	0.83	0.34
0.59	0.50	0.51	0.41	0.28	0.58
0.50	0.81	1.10	0.43	0.41	0.51
0.08	0.18	0.27	0.12	0.09	0.08
0.89	0.88	0.75	0.49	0.68	0.43
1.16	3.29	3.04	0.53	0.66	2.05
7.57	10.70	11.10	6.80	7.75	8.32
1.08	1.97	2.95	0.67	0.83	1.64
2.71	3.84	3.22	2.77	3.37	4.07
1.48	0.82	1.23	0.67	0.26	0.81
0.28	0.27	0.25	0.24	0.23	0.49
0.33	0.90	1.33	0.19	0.18	0.30
0.38	0.39	0.50	0.18	0.21	0.62
0.67	0.73	0.76	0.90	1.01	1.26
0.90	1.32	1.98	0.19	0.14	0.18
7.83	10.24	12.22	5.81	6.23	9.37

CHAPTER 2 - BY PRODUCT SPECIALTY

BALANCE SHEET

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
ASSETS			
CURRENT ASSETS			
Cash	6.05%	18.46%	2.23%
Receivables	31.75	27.51	36.44
Inventories	14.75	11.09	16.07
Other current assets	3.94	7.21	2.39
TOTAL CURRENT ASSETS	56.49	64.27	57.13
FIXED ASSETS			
Real estate	12.30	6.02	12.38
Less: Accumulated depreciation	2.91	0.99	5.78
	9.39	5.03	6.60
Machinery and equipment	63.12	47.78	71.36
Less: Accumulated depreciation	34.28	24.63	38.29
	28.84	23.15	33.07
Other fixed assets	5.40	4.75	6.48
Less: Accumulated depreciation	2.97	2.49	3.90
	2.43	2.26	2.58
NET FIXED ASSETS	40.66	30.44	42.25
OTHER ASSETS	2.85	5.29	0.62
TOTAL ASSETS	100.00	100.00	100.00
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Notes payable	11.06	2.59	8.58
Accounts payable	15.04	14.02	17.40
Other current liabilities	9.38	7.05	9.81
TOTAL CURRENT LIABILITIES	35.48	23.66	35.79
LONG-TERM LIABILITIES	27.69	9.35	33.43
TOTAL LIABILITIES	63.17	33.01	69.22
SHAREHOLDERS' AND PROPRIETORS' EQUITY	36.83	66.99	30.78
TOTAL LIABILITIES AND EQUITY	100.00	100.00	100.00

BALANCE SHEET RATIOS

CURRENT RATIO	1.59	2.72	1.60
QUICK RATIO	1.18	2.25	1.15
TOTAL LIABILITIES TO EQUITY	1.72	0.49	2.25
LONG-TERM LIABILITIES TO EQUITY	0.75	0.14	1.09
ACCUMULATED DEPRECIATION-MACHINERY AND EQUIPMENT TO TOTAL MACHINERY AND EQUIPMENT	0.54	0.52	0.54

** Sample insufficient for Profit Leaders.

NEWSPAPER**	FINANCIAL		BOOK		NO PREDOMINANT PRODUCT**
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
0.43%	2.25%	3.35%	3.99%	8.74%	11.29%
25.39	38.54	36.34	39.69	37.85	33.90
9.10	12.55	14.74	20.30	19.34	18.13
5.95	5.65	7.99	2.78	2.73	1.78
40.87	58.99	62.42	66.76	68.66	65.10
29.37	8.23	12.35	9.92	7.51	16.79
8.54	2.14	3.21	3.42	2.26	2.13
20.83	6.09	9.14	6.50	5.25	14.66
72.06	38.04	29.67	56.86	58.77	59.02
37.00	18.27	14.83	33.32	35.47	40.52
35.06	19.77	14.84	23.54	23.30	18.50
5.25	3.70	5.55	4.91	6.35	10.15
3.09	1.71	2.57	3.16	3.90	7.28
2.16	1.99	2.98	1.75	2.45	2.87
58.05	27.85	26.96	31.79	31.00	36.03
1.08	13.16	10.62	1.45	0.34	(1.13)
100.00	100.00	100.00	100.00	100.00	100.00
1.48	10.83	1.29	14.04	2.70	5.27
12.18	6.94	5.41	19.10	16.40	9.28
7.92	15.91	21.82	7.99	9.80	5.42
21.58	33.68	28.52	41.13	28.90	19.97
24.20	43.66	28.27	17.91	13.80	31.92
45.78	77.34	56.79	59.04	42.70	51.89
54.22	22.66	43.21	40.96	57.30	48.11
100.00	100.00	100.00	100.00	100.00	100.00

1.89	1.75	2.19	1.62	2.38	3.26
1.47	1.38	1.67	1.13	1.71	2.35
0.84	3.41	1.31	1.44	0.75	1.08
0.45	1.93	0.65	0.44	0.24	0.66
0.51	0.48	0.50	0.59	0.60	0.69

CHAPTER 2 - BY PRODUCT SPECIALTY

SIGNIFICANT FACTS

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
INVESTMENT			
Average assets per employee - All employees	\$ 45,902	\$ 52,270	\$ 37,178
Average assets per factory employee (Excluding Executives)	62,086	68,696	44,378
Average net worth per employee - All employees	17,203	33,018	10,367
Average gross plant investment per factory employee (Excluding Executives)	48,854	39,151	38,466
Net worth percentage of fixed assets	115.68%	263.72%	90.57%
EMPLOYEES			
Percent factory - All employees	78.52%	81.00%	85.75%
Percent administrative - All employees	11.10	8.78	9.58
Percent sales - All employees	10.38	10.22	4.67
SALES - VALUE OF PRODUCT PRODUCED INCLUDING EXECUTIVES			
Sales per employee - All employees	\$ 81,213	\$ 97,408	\$ 65,104
Sales per factory employee	104,726	118,883	76,378
Sales less material per factory employee	60,111	65,103	46,233
Sales per administrative employee	962,436	1,670,547	732,156
EXCLUDING EXECUTIVES			
Sales per employee - All employees	88,311	106,220	68,288
Sales per factory employee	110,148	126,785	78,195
Sales less material per factory employee	63,249	69,383	47,323
SALES PER SALESMAN	779,745	917,729	537,873
SALES TO CURRENT ASSETS	349%	303%	335%
PAYROLL - INCLUDING TAXES AND BENEFITS INCLUDING EXECUTIVES			
Total payroll percentage of sales	37.33%	30.38%	41.36%
Factory payroll percentage of gross plant investment	66.26	72.72	75.84
Payroll per employee - All employees	\$ 29,401	\$ 28,018	\$ 26,318
Payroll per factory employee	26,187	24,002	25,033
Payroll per administrative employee	33,977	34,890	31,162
Payroll per sales employee	51,852	57,102	29,310
PAYROLL - EXCLUDING TAXES AND BENEFITS EXCLUDING EXECUTIVES			
Payroll per employee - All employees	\$ 23,233	\$ 22,846	\$ 21,254
Payroll per factory employee	21,727	20,285	21,031
Payroll per administrative employee	17,112	14,879	17,477
Payroll per sales employee	41,715	49,836	24,372
EXECUTIVE PAYROLL			
Payroll per executive - All executives	53,128	45,546	43,503
Payroll per factory executive	32,538	33,127	23,230
Payroll per administrative executive	67,018	63,809	47,280
Payroll per sales executive	65,451	75,872	18,100
RECEIVABLES			
Collection period	65.4	56.6	71.2
PROFIT			
Gross profit percentage of sales	20.23%	25.18%	15.27%
Average gross profit per factory employee	\$ 22,404	\$ 30,648	\$ 11,714
Income before taxes percentage of sales	2.67%	13.09%	0.63%
Average income before taxes per employee	\$ 2,495	\$ 12,629	\$ 261

** Sample insufficient for Profit Leaders.

NEWSPAPER**	FINANCIAL		BOOK		NO PREDOMINANT PRODUCT**
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
\$ 32,873	\$ 35,961	\$ 42,250	\$ 40,864	\$ 53,798	\$ 34,947
42,490	43,490	51,157	53,455	69,884	50,715
18,204	10,573	18,015	18,396	30,283	16,143
45,950	21,357	24,324	38,602	52,361	39,974
100.70%	89.12%	164.80%	147.26%	234.21%	216.95%
80.43%	85.24%	84.64%	81.71%	79.99%	73.85%
8.13	6.31	6.92	9.80	11.66	10.20
11.44	8.45	8.44	8.49	8.35	15.95
\$ 54,309	\$ 69,935	\$ 82,038	\$ 78,178	\$ 92,424	\$ 63,369
68,780	82,144	96,763	97,055	116,017	86,877
43,518	66,194	79,459	49,556	59,732	56,647
733,425	1,244,600	1,417,216	921,113	1,111,141	626,326
58,633	74,106	86,631	84,884	99,637	69,501
71,774	84,630	99,414	102,464	120,512	91,290
45,530	68,175	81,622	52,485	62,329	59,502
323,185	0	0	1,188,941	1,570,321	416,801
465%	337%	317%	312%	257%	339%
40.28%	45.02%	46.00%	34.14%	28.70%	41.19%
51.75	128.72	133.23	77.37	51.90	72.24
\$ 21,315	\$ 31,918	\$ 38,032	\$ 25,456	\$ 26,018	\$ 25,618
20,502	27,008	31,645	22,658	21,457	24,377
24,301	48,265	53,859	34,927	38,409	27,723
31,629	71,430	92,553	46,206	62,756	30,025
\$ 17,246	\$ 22,895	\$ 26,309	\$ 19,770	\$ 19,892	\$ 19,245
17,051	21,248	24,350	18,489	17,536	18,804
13,475	16,408	19,431	17,927	20,040	15,458
42,526	50,614	62,303	38,248	50,993	23,171
30,194	83,664	106,692	44,015	52,419	40,580
32,750	25,376	21,499	31,823	28,875	28,579
31,842	126,842	169,218	55,524	57,198	45,091
26,255	70,022	105,034	50,663	63,009	51,121
57.9	74.9	71.2	75.7	87.5	62.8
20.49%	33.41%	38.71%	17.90%	22.89%	23.39%
\$ 15,598	\$ 29,843	\$ 38,490	\$ 18,632	\$ 26,996	\$ 21,967
4.51%	10.53%	13.81%	5.19%	9.77%	4.82%
\$ 2,727	\$ 8,272	\$ 11,499	\$ 4,370	\$ 8,902	\$ 3,239

CHAPTER 2 - BY PRODUCT SPECIALTY

RETURN ON INVESTMENT - PER \$100 OF SALES

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
INVESTMENT			
Current Assets:			
Cash	\$ 3.28	\$12.43	\$ 1.22
Receivables	17.35	15.24	18.75
Inventories	7.99	5.88	8.75
Marketable securities	0.98	4.10	0.24
Other current assets	1.29	0.33	1.16
	30.89	37.98	30.12
Plant Investment:			
Land and building	8.25	3.49	6.36
Machinery and equipment	34.62	26.17	41.29
Other fixed assets	2.80	2.58	3.43
	45.67	32.24	51.08
Non-Current Assets	1.61	3.23	0.38
TOTAL INVESTMENT	78.17	73.45	81.58
INVESTMENT TURNOVER PER \$100 OF SALES	127.93%	136.15%	122.58%
EARNINGS			
Cost of Product	\$79.77	\$74.82	\$84.73
Selling Expenses	8.18	6.77	4.13
Administrative Expenses	7.74	6.09	7.83
	95.69	87.68	96.69
Income Before Interest, Other Income, and Taxes	4.31	12.32	3.31
RETURN ON INVESTMENT - INVESTMENT TURNOVER X INCOME	5.51%	16.77%	4.06%

** Sample insufficient for Profit Leaders.

NEWSPAPER**	FINANCIAL		BOOK		NO PREDOMINANT PRODUCT**
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
\$ 0.70	\$ 1.15	\$ 1.71	\$ 1.62	\$ 3.40	\$ 4.65
14.19	19.80	18.70	20.15	22.76	16.84
5.18	6.45	7.59	10.17	11.26	8.48
0.72	0.00	0.00	0.50	1.09	1.37
1.95	2.93	4.16	1.07	0.52	(0.39)
22.74	30.33	32.16	33.51	39.43	30.95
18.67	4.21	6.32	5.68	5.86	12.00
42.99	19.54	15.30	29.72	36.74	27.40
3.05	1.90	2.85	2.55	3.75	4.55
64.71	25.65	24.47	37.95	46.35	43.95
0.53	6.75	5.46	0.67	0.19	(1.37)
87.98	62.73	62.09	72.13	85.97	73.53
113.66%	159.41%	161.06%	138.64%	116.32%	136.00%
\$79.51	\$66.59	\$61.29	\$82.10	\$77.11	\$76.61
7.83	10.24	12.22	5.81	6.23	9.37
7.57	10.70	11.10	6.80	7.75	8.32
94.91	87.53	84.61	94.71	91.09	94.30
5.09	12.47	15.39	5.29	8.91	5.70
5.79%	19.88%	24.79%	7.33%	10.36%	7.75%

CHAPTER 3 - BY PERCENTAGE OF WEB SALES

REPORT ON OPERATIONS - VALUE ADDED = 100%

	11% TO 21%**	21% TO 41%	PROFIT
	ALL FIRMS	ALL FIRMS	LEADERS
SALES OR VALUE OF PRODUCT PRODUCED	X	X	X
LESS: PAPER, OTHER CHARGEABLE MATERIALS AND OUTSIDE SERVICES	X	X	X
VALUE ADDED BY MANUFACTURE	100.00%	100.00%	100.00%
FACTORY PAYROLL	45.15	45.30	34.60
FACTORY EXPENSES	15.86	21.38	19.67
TOTAL FACTORY COST OF PRODUCT	61.01	66.68	54.27
GROSS PROFIT	38.99	33.32	45.73
ADMINISTRATIVE AND SELLING EXPENSES			
Administrative expenses	12.95	12.56	10.92
Selling expenses	8.74	13.83	12.66
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	21.69	26.39	23.58
INCOME BEFORE INTEREST EXPENSE	17.30	6.93	22.15
Interest expense	3.30	3.54	0.64
OPERATING INCOME	14.00	3.39	21.51
Other income	2.50	1.19	1.35
INCOME BEFORE INCOME TAXES	16.50	4.58	22.86

** Sample insufficient for Profit Leaders.

41% TO 61%	
ALL FIRMS	PROFIT LEADERS

X X

X X

100.00% 100.00%

46.08 38.47
20.16 20.18

66.24 58.65

33.76 41.35

13.96 14.54
12.00 10.39

25.96 24.93

7.80 16.42

3.84 1.81

3.96 14.61

1.17 3.12

5.13 17.73

61% TO 81%	
ALL FIRMS	PROFIT LEADERS

X X

X X

100.00% 100.00%

44.76 43.71
19.82 16.92

64.58 60.63

35.42 39.37

11.84 8.62
14.36 11.37

26.20 19.99

9.22 19.38

3.75 1.76

5.47 17.62

1.87 1.91

7.34 19.53

CHAPTER 3 - BY PERCENTAGE OF WEB SALES

SUPPORTING SCHEDULES - VALUE ADDED = 100%

	11% TO 21%**	21% TO 41%	
	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
FACTORY PAYROLL			
Salaries - executive	4.21%	2.65%	2.25%
Direct wages	38.02	30.08	25.76
General factory salaries and wages	0.00	4.10	1.28
Packing, shipping and delivery wages	0.00	1.70	0.71
Payroll taxes	1.56	2.75	1.97
Employee benefits	1.36	4.02	2.63
TOTAL FACTORY PAYROLL	45.15	45.30	34.60
FACTORY EXPENSES			
Fixed Expenses			
Depreciation - real estate	0.00	0.52	0.19
Depreciation - other	7.18	6.27	4.92
Taxes - real estate	0.00	0.52	0.27
Taxes - other	0.00	0.40	0.18
Insurance	0.33	0.54	0.44
Building rent	0.00	1.62	2.23
Utilities - heat, light, etc.	1.77	2.30	1.35
Equipment rental	0.16	0.52	0.18
Total Fixed Expenses	9.44	12.69	9.76
Other Expenses			
Factory supplies and expense	1.91	3.32	4.05
Packing, shipping and delivery expense	0.07	1.57	2.65
Repairs and maintenance	2.29	2.39	2.82
Other factory expenses	2.15	1.41	0.39
Total Other Expenses	6.42	8.69	9.91
TOTAL FACTORY EXPENSES	15.86	21.38	19.67
ADMINISTRATIVE EXPENSES			
Salaries - executive	3.33	3.06	3.44
Salaries - office	1.38	3.37	2.55
Payroll taxes	0.12	0.44	0.37
Employee benefits	0.25	0.79	0.66
Bad debts	1.23	0.42	0.37
Office supplies and expenses	3.87	0.76	0.74
Professional fees	0.22	0.72	0.65
Taxes - business	0.37	0.21	0.41
Telephone	1.53	0.75	0.55
Other administrative expenses	0.65	2.04	1.18
TOTAL ADMINISTRATIVE EXPENSES	12.95	12.56	10.92
SELLING EXPENSES			
Salaries - executive	0.00	1.52	1.58
Salaries and commissions - salesmen	6.96	7.42	7.78
Salaries - sales office clerical	0.00	0.97	0.37
Payroll taxes	0.04	0.43	0.34
Employee benefits	0.00	0.58	0.37
Advertising	0.08	0.45	0.25
Travel and entertainment	0.86	1.35	1.47
Other selling expenses	0.80	1.11	0.50
TOTAL SELLING EXPENSES	8.74	13.83	12.66

** Sample insufficient for Profit Leaders.

41% TO 61%		61% TO 81%	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
3.17%	2.89%	2.45%	2.09%
31.02	26.62	29.36	28.01
3.61	2.03	4.27	3.22
1.86	1.12	1.31	1.46
2.80	2.61	2.50	2.49
3.62	3.20	4.87	6.44
46.08	38.47	44.76	43.71
0.52	0.41	0.76	1.20
4.47	5.17	5.50	4.47
0.50	0.41	0.40	0.32
0.25	0.26	0.43	0.18
0.57	0.78	0.45	0.41
1.78	1.26	1.01	1.02
2.06	2.35	2.23	1.82
0.88	0.36	0.76	0.73
11.03	11.00	11.54	10.15
3.42	3.22	3.59	3.04
1.68	1.92	1.37	1.43
2.87	3.18	2.40	1.89
1.16	0.86	0.92	0.41
9.13	9.18	8.28	6.77
20.16	20.18	19.82	16.92
3.84	4.31	2.89	2.38
3.12	3.12	2.56	1.57
0.40	0.50	0.36	0.25
1.09	0.64	0.77	1.01
0.95	1.17	0.93	0.32
0.57	0.61	0.60	0.52
0.87	0.89	0.74	0.77
0.13	0.18	0.16	0.41
0.73	1.13	0.78	0.70
2.26	1.99	2.05	0.69
13.96	14.54	11.84	8.62
2.20	1.34	2.40	2.38
5.66	5.49	6.04	3.58
0.70	0.29	1.46	1.93
0.40	0.34	0.47	0.30
0.35	0.27	0.85	1.33
0.35	0.26	0.63	0.42
1.18	1.62	1.36	0.84
1.16	0.78	1.15	0.59
12.00	10.39	14.36	11.37

CHAPTER 3 - BY PERCENTAGE OF WEB SALES

REPORT ON OPERATIONS - SALES = 100%

	11% TO 21%**	21% TO 41%	
	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
SALES OR VALUE OF PRODUCT PRODUCED	100.00%	100.00%	100.00%
FACTORY COST OF PRODUCT			
MATERIALS			
Paper	24.84	25.04	28.00
Other chargeable materials	7.43	6.38	9.24
Outside services	1.21	8.63	6.37
TOTAL MATERIALS	33.48	40.05	43.61
FACTORY PAYROLL	30.29	27.29	19.55
FACTORY EXPENSES	10.94	12.89	11.48
TOTAL FACTORY COST OF PRODUCT	74.71	80.23	74.64
GROSS PROFIT	25.29	19.77	25.36
ADMINISTRATIVE AND SELLING EXPENSES			
Administrative expenses	8.64	7.62	6.44
Selling expenses	5.56	8.15	6.93
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	14.20	15.77	13.37
INCOME BEFORE INTEREST EXPENSE	11.09	4.00	11.99
Interest expense	2.43	2.07	0.34
OPERATING INCOME	8.66	1.93	11.65
Other income	1.45	0.70	0.69
INCOME BEFORE INCOME TAXES	10.11	2.63	12.34

SUPPORTING SCHEDULES - SALES = 100%

OTHER CHARGEABLE MATERIALS			
Ink		1.73%	2.22%
Film		1.47	1.17
Plates		1.17	1.43
Other chargeable materials		2.01	4.42
TOTAL OTHER CHARGEABLE MATERIALS	***	6.38	9.24
OUTSIDE SERVICES			
Composition		1.41	0.29
Offset preparation		1.35	1.14
Printing		1.42	1.01
Binding		2.25	1.98
Other outside services		2.20	1.95
TOTAL OUTSIDE SERVICES	***	8.63	6.37

** Sample insufficient for Profit Leaders.

*** Information not submitted.

41% TO 61%		61% TO 81%	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
100.00%	100.00%	100.00%	100.00%
27.50	26.11	27.20	24.26
5.81	5.52	5.45	3.96
8.68	8.93	6.56	5.33
41.99	40.56	39.21	33.55
26.64	23.06	27.19	29.02
11.64	11.75	11.90	10.92
80.27	75.37	78.30	73.49
19.73	24.63	21.70	26.51
8.13	8.74	7.17	5.73
7.02	6.30	8.83	7.77
15.15	15.04	16.00	13.50
4.58	9.59	5.70	13.01
2.19	1.05	2.28	1.24
2.39	8.54	3.42	11.77
0.61	1.71	1.09	1.23
3.00	10.25	4.51	13.00

2.63%	2.41%	2.62%	1.88%
1.15	0.92	0.88	0.53
1.43	1.15	1.12	1.39
0.60	1.04	0.83	0.16
5.81	5.52	5.45	3.96
0.62	0.68	0.64	0.21
1.38	0.00	1.29	0.34
1.01	0.73	1.19	2.61
3.88	0.51	1.94	1.62
1.79	7.01	1.50	0.55
8.68	8.93	6.56	5.33

CHAPTER 3 - BY PERCENTAGE OF WEB SALES

SUPPORTING SCHEDULES - SALES = 100%

	11% TO 21%**	21% TO 41%	PROFIT LEADERS
	ALL FIRMS	ALL FIRMS	
FACTORY PAYROLL			
Salaries - executive	2.50%	1.62%	1.28%
Direct wages	25.64	18.11	14.71
General factory salaries and wages	0.00	2.51	0.60
Packing, shipping and delivery wages	0.00	1.00	0.40
Payroll taxes	1.15	1.68	1.19
Employee benefits	1.00	2.37	1.37
TOTAL FACTORY PAYROLL	30.29	27.29	19.55
FACTORY EXPENSES			
Fixed Expenses			
Depreciation - real estate	0.00	0.33	0.10
Depreciation - other	4.76	3.71	2.85
Taxes - real estate	0.00	0.29	0.15
Taxes - other	0.00	0.25	0.12
Insurance	0.25	0.33	0.29
Building rent	0.00	0.98	1.40
Utilities - heat, light, etc.	1.17	1.38	0.80
Equipment rental	0.11	0.32	0.09
Total Fixed Expenses	6.29	7.59	5.80
Other Expenses			
Factory supplies and expense	1.41	2.03	2.32
Packing, shipping and delivery expense	0.05	0.95	1.50
Repairs and maintenance	1.61	1.44	1.67
Other factory expenses	1.58	0.88	0.19
Total Other Expenses	4.65	5.30	5.68
TOTAL FACTORY EXPENSES	10.94	12.89	11.48
ADMINISTRATIVE EXPENSES			
Salaries - executive	2.28	1.88	1.98
Salaries - office	1.02	2.01	1.56
Payroll taxes	0.09	0.27	0.23
Employee benefits	0.19	0.47	0.39
Bad debts	0.91	0.24	0.20
Office supplies and expenses	2.30	0.47	0.45
Professional fees	0.16	0.43	0.39
Taxes - business	0.25	0.13	0.25
Telephone	0.97	0.46	0.33
Other administrative expenses	0.47	1.26	0.66
TOTAL ADMINISTRATIVE EXPENSES	8.64	7.62	6.44
SELLING EXPENSES			
Salaries - executive	0.00	0.94	0.92
Salaries and commissions - salesmen	4.27	4.30	4.13
Salaries - sales office clerical	0.00	0.57	0.18
Payroll taxes	0.03	0.27	0.21
Employee benefits	0.00	0.34	0.21
Advertising	0.06	0.28	0.15
Travel and entertainment	0.62	0.81	0.84
Other selling expenses	0.58	0.64	0.29
TOTAL SELLING EXPENSES	5.56	8.15	6.93

** Sample insufficient for Profit Leaders.

41% TO 61%		61% TO 81%	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
1.85%	1.83%	1.45%	1.25%
17.79	15.48	18.02	18.63
2.15	1.37	2.44	2.22
1.10	0.72	0.80	0.96
1.63	1.57	1.53	1.67
2.12	2.09	2.95	4.29
26.64	23.06	27.19	29.02

0.28	0.25	0.48	0.81
2.56	2.95	3.23	2.81
0.28	0.21	0.23	0.20
0.15	0.16	0.27	0.14
0.32	0.41	0.28	0.26
1.04	0.71	0.61	0.60
1.18	1.33	1.32	1.19
0.53	0.21	0.50	0.55
6.34	6.23	6.92	6.56

1.98	1.85	2.15	1.98
1.02	1.41	0.87	0.88
1.65	1.80	1.40	1.22
0.65	0.46	0.56	0.28
5.30	5.52	4.98	4.36
11.64	11.75	11.90	10.92

2.25	2.67	1.73	1.53
1.79	1.60	1.56	1.01
0.23	0.28	0.23	0.16
0.62	0.39	0.47	0.66
0.55	0.73	0.51	0.25
0.33	0.36	0.39	0.34
0.50	0.54	0.45	0.55
0.08	0.12	0.10	0.27
0.42	0.70	0.49	0.47
1.36	1.35	1.24	0.49
8.13	8.74	7.17	5.73

1.28	0.80	1.53	1.80
3.30	3.26	3.61	2.21
0.40	0.17	0.96	1.32
0.23	0.20	0.30	0.20
0.21	0.18	0.54	0.97
0.21	0.16	0.40	0.32
0.68	0.93	0.81	0.53
0.71	0.60	0.68	0.42
7.02	6.30	8.83	7.77

CHAPTER 3 - BY PERCENTAGE OF WEB SALES

BALANCE SHEET

	11% TO 21%**	21% TO 41%	
	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
ASSETS			
CURRENT ASSETS			
Cash	32.20%	5.67%	12.22%
Receivables	27.05	30.71	27.95
Inventories	4.58	13.66	13.30
Other current assets	1.15	4.50	6.24
TOTAL CURRENT ASSETS	64.98	54.54	59.71
FIXED ASSETS			
Real estate	11.44	15.10	6.47
Less: Accumulated depreciation	4.67	3.69	0.98
	6.77	11.41	5.49
Machinery and equipment	49.71	63.57	52.63
Less: Accumulated depreciation	23.06	36.22	27.23
	26.65	27.35	25.40
Other fixed assets	1.77	5.99	6.22
Less: Accumulated depreciation	0.86	3.25	3.14
	0.91	2.74	3.08
NET FIXED ASSETS	34.33	41.50	33.97
OTHER ASSETS	0.69	3.96	6.32
TOTAL ASSETS	100.00	100.00	100.00
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Notes payable	0.00	11.77	3.20
Accounts payable	14.13	13.53	14.50
Other current liabilities	9.61	7.31	6.15
TOTAL CURRENT LIABILITIES	23.74	32.61	23.85
LONG-TERM LIABILITIES	19.61	27.87	10.23
TOTAL LIABILITIES	43.35	60.48	34.08
SHAREHOLDERS' AND PROPRIETORS' EQUITY	56.65	39.52	65.92
TOTAL LIABILITIES AND EQUITY	100.00	100.00	100.00

BALANCE SHEET RATIOS

CURRENT RATIO	2.74	1.67	2.50
QUICK RATIO	2.54	1.25	1.95
TOTAL LIABILITIES TO EQUITY	0.77	1.53	0.52
LONG-TERM LIABILITIES TO EQUITY	0.35	0.71	0.16
ACCUMULATED DEPRECIATION - MACHINERY AND EQUIPMENT TO TOTAL MACHINERY AND EQUIPMENT	0.46	0.57	0.52

** Sample insufficient for Profit Leaders.

41% TO 61%	
ALL FIRMS	PROFIT LEADERS
4.76%	12.42%
34.83	34.01
17.07	16.55
3.81	2.74
60.47	65.72

9.73	10.89
2.03	2.15
7.70	8.74

63.07	51.88
35.31	31.44
27.76	20.44

5.56	6.05
3.32	3.42
2.24	2.63
37.70	31.81
1.83	2.47

100.00	100.00
--------	--------

10.32	2.20
16.89	11.93
11.43	11.76

38.64	25.89
-------	-------

24.48	15.83
-------	-------

63.12	41.72
-------	-------

36.88	58.28
-------	-------

100.00	100.00
--------	--------

61% TO 81%	
ALL FIRMS	PROFIT LEADERS
5.16%	7.05%
31.87	30.36
14.58	13.03
3.15	9.71
54.76	60.15

16.29	15.55
4.99	4.40
11.30	11.15

60.25	55.31
30.52	32.76
29.73	22.55

4.98	5.88
2.92	3.59
2.06	2.29
43.09	35.99
2.15	3.86

100.00	100.00
--------	--------

9.11	2.86
13.17	12.98
8.25	9.51

30.53	25.35
-------	-------

31.76	18.79
-------	-------

62.29	44.14
-------	-------

37.71	55.86
-------	-------

100.00	100.00
--------	--------

1.56	2.54
1.12	1.90
1.71	0.72
0.66	0.27

0.56	0.61
------	------

1.79	2.37
1.32	1.86
1.65	0.79
0.84	0.34

0.51	0.59
------	------

CHAPTER 3 - BY PERCENTAGE OF WEB SALES

SIGNIFICANT FACTS

	11% TO 21%**	21% TO 41%	
	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
INVESTMENT			
Average assets per employee - All employees	\$ 38,332	\$ 43,985	\$ 51,399
Average assets per factory employee (Excluding Executives)	51,672	59,776	67,394
Average net worth per employee - All employees	21,673	17,927	32,032
Average gross plant investment per factory employee (Excluding Executives)	29,215	50,362	41,957
Net worth percentage of fixed assets	324.10%	108.30%	212.38%
EMPLOYEES			
Percent factory - All employees	83.49%	78.27%	80.25%
Percent administrative - All employees	6.02	11.41	10.90
Percent sales - All employees	10.49	10.32	8.85
SALES - VALUE OF PRODUCT PRODUCED INCLUDING EXECUTIVES			
Sales per employee - All employees	\$ 51,219	\$ 78,236	\$ 104,266
Sales per factory employee	61,024	102,041	128,577
Sales less material per factory employee	40,967	59,152	68,942
Sales per administrative employee	949,848	901,601	1,387,294
EXCLUDING EXECUTIVES			
Sales per employee - All employees	57,213	84,581	113,615
Sales per factory employee	67,409	107,153	136,045
Sales less material per factory employee	44,754	62,175	72,813
SALES PER SALESMAN	333,983	821,593	1,065,039
SALES TO CURRENT ASSETS	239%	350%	347%
PAYROLL - INCLUDING TAXES AND BENEFITS INCLUDING EXECUTIVES			
Total payroll percentage of sales	38.17%	38.34%	29.39%
Factory payroll percentage of gross plant investment	87.37	63.37	63.23
Payroll per employee - All employees	\$ 19,937	\$ 28,624	\$ 28,706
Payroll per factory employee	18,767	25,870	23,920
Payroll per administrative employee	28,220	32,187	34,203
Payroll per sales employee	24,426	48,966	63,518
PAYROLL - EXCLUDING TAXES AND BENEFITS EXCLUDING EXECUTIVES			
Payroll per employee - All employees	\$ 17,846	\$ 22,885	\$ 23,117
Payroll per factory employee	17,208	21,374	20,202
Payroll per administrative employee	12,795	17,114	16,435
Payroll per sales employee	23,771	41,415	54,983
EXECUTIVE PAYROLL			
Payroll per executive - All executives	33,840	46,797	45,570
Payroll per factory executive	7,500	31,669	31,393
Payroll per administrative executive	33,840	58,410	62,294
Payroll per sales executive	0	58,255	76,221
RECEIVABLES			
Collection period	75.8	62.7	50.7
PROFIT			
Gross profit percentage of sales	25.29%	19.77%	25.36%
Average gross profit per factory employee	\$ 17,088	\$ 21,572	\$ 33,163
Income before taxes percentage of sales	10.11%	2.63%	12.34%
Average income before taxes per employee	\$ 4,661	\$ 2,662	\$ 13,164

** Sample insufficient for Profit Leaders.

41% TO 61%	
ALL FIRMS	PROFIT LEADERS
\$ 40,020	\$ 52,602
52,954	67,817
15,368	30,708
40,321	48,490
129.54%	216.32%
80.17%	81.40%
11.02	11.19
8.81	7.41

\$ 76,230	\$ 86,831
96,052	107,310
54,565	61,560
850,234	988,127
83,481	94,560
101,017	112,463
57,447	64,814
744,469	1,485,865
357%	263%

36.97%	32.62%
76.06	63.50
\$ 27,520	\$ 27,544
24,456	23,619
33,028	38,685
47,007	62,865

\$ 21,522	\$ 20,942
20,318	19,083
16,107	17,940
39,417	54,574
49,559	54,386
31,432	31,617
60,243	78,514
52,925	64,810
66.4	79.3

19.73%	24.63%
\$ 20,117	\$ 27,074
3.00%	10.25%
\$ 2,375	\$ 8,758

61% TO 81%	
ALL FIRMS	PROFIT LEADERS
\$ 49,931	\$ 45,048
66,420	53,858
18,511	23,940
50,886	39,127
109.51%	196.36%
79.26%	85.18%
8.81	5.96
11.93	8.86

\$ 80,985	\$ 84,529
102,989	98,937
61,317	65,412
1,097,770	1,809,108
87,204	89,922
107,857	102,583
64,144	67,588
848,603	740,944
343%	378%

38.14%	38.89%
63.71	87.43
\$ 29,963	\$ 32,726
26,945	28,593
36,959	47,640
55,067	67,464

\$ 23,048	\$ 23,838
21,862	22,299
18,102	19,481
42,866	45,302
60,263	69,782
34,396	28,170
80,103	88,175
76,630	95,317
71.1	57.3

21.70%	26.51%
\$ 23,422	\$ 27,031
4.51%	13.00%
\$ 3,880	\$ 11,182

CHAPTER 3 - BY PERCENTAGE OF WEB SALES

RETURN ON INVESTMENT - PER \$100 OF SALES

	11% TO 21%**	21% TO 41%	
	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
INVESTMENT			
Current Assets:			
Cash	\$27.63	\$ 2.79	\$ 5.96
Receivables	20.58	16.81	13.50
Inventories	3.00	7.86	6.88
Marketable securities	0.00	1.31	3.53
Other current assets	0.75	1.44	0.36
	51.96	30.21	30.23
Plant Investment:			
Land and building	7.50	10.70	3.70
Machinery and equipment	35.11	35.58	26.76
Other fixed assets	1.16	3.28	3.35
	43.77	49.56	33.81
Non-Current Assets	0.45	2.26	3.86
TOTAL INVESTMENT	96.18	82.03	67.90
INVESTMENT TURNOVER PER \$100 OF SALES	103.97%	121.91%	147.28%
EARNINGS			
Cost of Product	\$74.71	\$80.23	\$74.64
Selling Expenses	5.56	8.15	6.93
Administrative Expenses	8.64	7.62	6.44
	88.91	96.00	88.01
Income Before Interest, Other Income, and Taxes	11.09	4.00	11.99
RETURN ON INVESTMENT - INVESTMENT TURNOVER X INCOME	11.53%	4.88%	17.66%

** Sample insufficient for Profit Leaders.

41% TO 61%	
ALL FIRMS	PROFIT LEADERS

\$ 2.42	\$ 7.39
17.26	20.61
8.50	9.77
0.46	0.74
1.49	1.30

30.13	39.81
-------	-------

5.67	7.82
32.22	33.64
2.76	3.62

40.65	45.08
-------	-------

0.87	1.34
------	------

71.65	86.23
-------	-------

139.57%	115.97%
---------	---------

\$80.27	\$75.37
7.02	6.30
8.13	8.74

95.42	90.41
-------	-------

4.58	9.59
------	------

6.39%	11.12%
-------	--------

61% TO 81%	
ALL FIRMS	PROFIT LEADERS

\$ 2.67	\$ 3.10
18.82	15.10
7.96	6.38
0.92	3.14
0.84	2.12

31.21	29.84
-------	-------

10.55	9.30
35.48	28.19
2.51	2.72

48.54	40.21
-------	-------

1.18	2.14
------	------

80.93	72.19
-------	-------

123.56%	138.52%
---------	---------

\$78.30	\$73.49
8.83	7.77
7.17	5.73

94.30	86.99
-------	-------

5.70	13.01
------	-------

7.04%	18.02%
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ABSOLUTE DATA

	NUMBER OF PARTICIPATING FIRMS	AVERAGE FIRM REPORTING**		
		TOTAL ASSETS	SALES OR VALUE OF PRODUCTION	TOTAL INCOME
TOTAL - ALL FIRMS	100	\$ 5,466,000	\$ 9,534,000	\$ 401,000
TOTAL - PROFIT LEADERS*	16	6,884,000	12,451,000	1,485,000
BY SIZE OF FIRM				
ALL FIRMS				
\$0-\$1,500,000	4	479,000	839,000	34,000
\$1,500,000-\$5,000,000	35	1,769,000	3,342,000	102,000
\$5,000,000-\$10,000,000	29	4,149,000	7,047,000	175,000
\$10,000,000-\$20,000,000	26	8,315,000	14,380,000	460,000
Over \$20,000,000	6	24,379,000	42,478,000	3,234,000
PROFIT LEADERS				
\$1,500,000-\$5,000,000	3	1,235,000	2,851,000	342,000
\$5,000,000-\$10,000,000	7	4,393,000	7,178,000	735,000
\$10,000,000-\$20,000,000	2	9,139,000	13,749,000	1,661,000
Over \$20,000,000	3	19,067,000	37,561,000	4,739,000
BY PRODUCT SPECIALTY				
ALL FIRMS				
Commercial and Advertising	72	5,972,000	10,271,000	375,000
Magazine and Periodical	4	3,231,000	6,095,000	58,000
Newspaper	6	2,201,000	3,640,000	149,000
Financial	3	8,012,000	15,679,000	1,871,000
Book	10	4,850,000	9,068,000	482,000
No Predominant Product	4	2,933,000	5,601,000	190,000
PROFIT LEADERS				
Commercial and Advertising	7	7,821,000	14,839,000	1,875,000
Financial	2	11,328,000	22,169,000	2,752,000
Book	4	5,858,000	9,121,000	881,000
BY PERCENTAGE OF WEB SALES				
ALL FIRMS				
11% To 21%	2	2,164,000	3,264,000	123,000
21% To 41%	36	4,886,000	8,496,000	333,000
41% To 61%	39	4,052,000	7,524,000	293,000
61% To 81%	23	9,060,000	15,113,000	716,000
PROFIT LEADERS				
21% To 41%	5	5,958,000	12,547,000	1,553,000
41% To 61%	6	7,831,000	13,036,000	1,367,000
61% To 81%	4	8,290,000	14,507,000	1,935,000

HOW THE NUMBERS ARE COMPUTED

The PIA Ratios are computed by the method of relative or common size. With this method each company's dollars are converted into a percentage to the total. Then these percentages are added in total and within a given sales class. This is a very simple way of avoiding what is known as self-weighting when various magnitudes are involved. With this method each company is given equal weight regardless of its size.

The following example illustrates how this calculation process eliminates the problem of the ratios' giving inordinate weight to the results of very large firms.

Firm	Sales	Factory Payroll	% of Sales	
			Firm's Ratio Factory Payroll	PIA Ratio Factory Payroll
A	\$ 200,000	\$ 60,000	30.0%	
B	500,000	100,000	20.0	
C	8,000,000	975,000	12.2	
			62.2% divided by 3 = 20.7%	

* "Profit Leaders" are those firms which earned 8% or greater pretax profits on sales.

** Unlike the ratios shown in this book, these figures are arithmetic averages.

HOW DO YOU COMPARE IN NORTH AMERICA?

The Individual Company Computer Printout is a fundamental part of the PIA Financial Ratio Study. It is a detailed, well-organized presentation of key financial information that encompasses every facet of your printing business. It contains data specific to your company that are not available in the published volumes of the study. The Individual Company Computer Printout, designed with you, the busy printing executive in mind, is a concise presentation of:

- Your firm's operating statement;
- Your firm's balance sheet;
- Supporting schedules for your firm's income statement and balance sheet; and
- Your firm's Return on Investment.

In addition:

- Your firm's financial data are expressed in dollars and ratio form;
- The ratios of your printing firm are compared side by side with the ratios of all other ratio study participants and "profit leaders," based on both sales revenue and value added. Ratios of survey participants and "profit leaders" that produce the same products and use the same manufacturing process are also presented for your immediate comparison;
- Using the same presentation format described in the previous item, the ratios of your printing firm are also compared side by side with the ratios of all survey participants and "profit leaders" that are approximately the same size in terms of sales; and
- Finally, "significant facts" statistics are presented to help you gauge where your company stands relative to industry "profit leaders" and the U.S. and Canadian printing industries as a whole.

Because of the detail that the Individual Company Computer Printout contains, it can quickly help you identify those areas and operations of your business that are running efficiently and those that are not. You'll be able to ascertain the seriousness of problems and how much corrective action is necessary. The bottom line is that you can purchase all of these data for a small fraction of what you would have to pay if you generated a similar analysis from scratch.

If you are part of the 1984 database, and have not already done so, I urge you to make the investment. If you are not part of the database, please consider participating in the 1985 PIA Financial Ratio Study and availing yourself of this particular service.

William A. Rose, II
Director
PIA Financial Services